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## Near East/South Asia Report

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3 May 1984

## NEAR EAST/SOUTH ASIA REPORT

### CONTENTS

#### REGIONAL AFFAIRS

#### INTERNATIONAL AFFAIRS

Syria Rejects Talks Between Jordan, PLO  
(Ilyas Harfush; AL-MAJALLAH, No 213, 10-16 Mar 84)..... 1

Briefs  
Arab Development Organizations 4

#### ARAB AFRICA

#### EGYPT

Private Investment Performance During Liberalization Reviewed  
(AL-AHRAM AL-IQTISADI, No 791, 12 Mar 84)..... 5

Experts Offer New Approaches to Arab Gulf Market  
(Izzat 'Ali; AL-AHRAM AL-IQTISADI, No 791, 12 Mar 84).... 10

Ibrahim Shukri Discusses Climate, Special Measures for Election  
(Ibrahim Shukri Interview; AKHIR SA'AH, 28 Mar 84)..... 26

New Law To Give Judges More Independence  
(Wajdi 'Abd-al-Samad; AKHIR SA'AH, 28 Mar 84)..... 31

Muslim Brothers' Activities, Dispute With Wafd Discussed (AL-MAJALLAH, No 212, 3-9 Mar 84).....	37
Secret Organization Revived al-Jihad, 'Uman al-Talmasani Interview Application of Islamic Law Discussed	
Continuing University Student Unrest Reported (AL-SHA'B, 27 Mar 84).....	43
LIBYA	
Corrupt Officials Warned of Coming Destruction ( 'Abd-al-Razzaq al-Dahish; AL-ZAHF AL-AKHDAR, 26 Mar 84)...	47
MOROCCO	
Sugar Beet Production for 1984 Reported (Mohamed El Amine Palamino; LA VIE ECONOMIQUE, 16 Mar 84).....	51
SUDAN	
Increased Private Sector Participation in Integration Discussed  (Usamah Ghayth; AL-TADAMUN, No 45, 18 Feb 84).....	55
Prospects for New Financing, Debt Rescheduling Explored (AL-TADAMUN, No 45, 18 Feb 84).....	58
ARAB EAST/ISRAEL	
BAHRAIN	
Study on Role of Women in Labor Force (Lutfi Nasr; AKHBAR AL-KHALIJ, 29 Dec 83).....	60
Future of Arab, Offshore Banking Assessed (Muhammad 'Ali Kamil; AL-KHALIJ, 15 Mar 84).....	66
ISRAEL	
Press Afraid Second TV Channel Will Hurt Subscriptions (YEDI'OT AHARONOT, 2 Mar 84).....	69
Question of Public Apathy, Role of Press Discussed (Yehoshu'a Rotenstreich; MA'ARIV, 2 Mar 84).....	71



## JORDAN

Economic Growth Rate Detailed (AL-AHRAM AL-IQTISADI, No 791, 12 Mar 84).....	75
Bridge-Crossing Policies Assessed (Shawkat Mahmud Interview; AL-MAJALLAH, No 212, 3-9 Mar 84).....	77
Complete By-election Results Reported (AL-RA'Y, 14 Mar 84).....	80
Regional Poultry Center To Be Established (AL-RA'Y, 16 Mar 84).....	83
Briefs	
Investment Zones	84
Housing Loans	84
Sewer Contracts	84
Industrial Loans	85
Oil Exploration	85

## KUWAIT

Suggestions for Dealing With Economic Slowdown (AL-RIYAD, 1 Mar 84).....	86
Official Discusses Aspects of Food Security Plan (Shaykh Ibrahim Du'ayj al-Sabah Interview; AL-SIYASAH, 17 Mar 84).....	91
Prime Minister Discusses Arab Security, Arab Issues (al-Shaykh Sa'd al-'Abdallah Interview; AL-TADAMUN, No 51, 31 Mar 84).....	96
Petroleum Corporation's Overseas Operations Viewed ( 'Adil Murad; AL-TADAMUN, No 52, 7 Apr 84).....	102
Briefs	
Certificates of Deposit Issued	105
Gulf Air Suspends Flights	105

## LEBANON

Economic Relations With Cairo Suffering (AL-TADAMUN, No 51, 31 Mar 84).....	106
Chamber of Commerce Chairman Sees Hope for Economic Revival ( 'Adnan al-Qassar Interview; AL-TADAMUN, No 51, 31 Mar 84).....	109

Junblatt, Danny Sham'un Reported in Agreement on Federal Lebanon	
(AL-TADAMUN, No 51, 31 Mar 84).....	112
Non-Participation of Certain Sects in Lausanne Conference Explored	
(Walid Zahr al-Din; AL-TADAMUN, No 51, 31 Mar 84).....	115
'Akif Haydar Says Amal Wants Political Sectarianism Abolished	
('Akif Haydar Interview; AL-TADAMUN, No 52, 7 Apr 84).....	121
Rapprochement Possibilities Between Damascus, Phalange Seen	
(AL-MUSTAQBAL, No 369, 17 Mar 84).....	124
UNITED ARAB EMIRATES	
Briefs	
Dubayy Ports Imports	126
Port Rashid Activity	126
SOUTH ASIA	
AFGHANISTAN	
U.S. Five-Year Plan To Militarize Indian Ocean Reported	
(Touryalay Kheyali; HEYWAD, 1 Nov 83).....	127
Four Model Farms To Be Created by Government	
(HEYWAD, 1 Nov 83).....	129
INDIA	
Constitutional Crisis Brewing in Andhra Pradesh	
(THE STATESMAN, 29 Mar 84; THE HINDU, 29 Mar 84).....	131
Supreme Court, Parliament Dispute, by S. Rajappa	
Discussion in Lok Sabha	
Text of Letter to Singh	
IRAN	
President: Superpowers Cannot Change Iraq's Determined Fate	
(ETTELA'AT, 9 Apr 84).....	136
Nonaligned States Urged To Boycott Olympic Games	
(ETTELA'AT, 7 Apr 84).....	139

Foreign Minister Urges NAM To 'Explicitly' Condemn Iraq (Velayati Interview; ETTELA'AT, 5 Apr 84).....	141
Syrian Minister of Education Comments on Mutual Relations (Muhammad Najib al-Sayyid Interview; ETTELA'AT, 21 Feb 84).....	143
Interior Minister Elaborates on Forthcoming Majlis Elections (JOMHURI-YE ESLAMI, 12 Mar 84).....	146
Comments on Chemical Warfare, British Complicity, Young Warriors (ETTELA'AT, 17 Mar 84).....	148
Details on Iranian Pilgrims To Visit Mecca (Hojjat ol-Eslam Musavi-Kho'iniha Interview; KEYHAN, 7 Apr 84).....	150

#### PAKISTAN

Government Fosters Unrest So As To Manipulate Elections (Editorial; JASARAT, 17 Mar 84).....	152
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SYRIA REJECTS TALKS BETWEEN JORDAN, PLO

London AL-MAJALLAH in Arabic No 213, 10-16 Mar 84 p 17

[Article by Ilyas Harfush "Syria Wary of Amman Talks; Damascus: Bilateral Solutions Are Unacceptable"]

[Text] The Jordanian-Palestinian summit is marked this time by caution in its discussions and concluding statement, which refers to "an agreement to resume the dialogue" between the two sides, without mentioning any joint plans for the next stage. Despite what was said in the Jordanian capital regarding the desire of King Husayn and Yasir 'Arafat to establish a joint formula combining the Reagan initiative and the Fes summit resolutions, the information obtained by AL-MAJALLAH indicates that the Jordanians and the Palestinians did not seek to explore a political solution, since King Husayn is convinced that 1984 is not the year for solutions, in the shadow of the American elections. King Husayn carried this conviction away with him during his recent contacts in the American capital. This may be what caused the Syrian leadership in Damascus to be cautious in its comments on Jordanian-Palestinian summit. Despite the original Syrian position in opposition to any separate talks concerning the future of the Middle East crisis and the Palestine issue, no official statements have been issued by Syrian officials concerning the talks; the Syrian press has merely reaffirmed the basic viewpoint. The newspaper AL-THAWRAH referred to "Syria's continued opposition to any American effort to push Jordan into peace talks with Israel." TISHRIN published a commentary in which it said, "After the failure of American policy in Lebanon, America's next step will be put pressure on Jordan to begin talks with Israel. Washington will not be able to impose the will of the Arab nation in Lebanon, will be able to do the same thing in Jordan."

Observers of the Jordanian-Palestinian talks believe that the developments in the political situation in Lebanon and the turnabout that has occurred in the position of the Lebanese Government, in addition to the Gulf war, were among the pressing factors influencing the Jordanians and Palestinians. A high-ranking Jordanian diplomat said that the talks "took place in Amman while the participants were looking to the Gulf," due to the fact that any Iranian advance in that war will have its effect on the entire region, and especially on Jordan, because of the special alliance between Jordan and Iraq with regard to the war.

Despite the Syrian absence from the Jordanian-Palestinian talks, King Husayn and Yasir 'Arafat shared an eagerness to avoid isolated positions. For this

reason, say Jordanian sources, the Jordanian monarch sought a unified Palestinian position taking into consideration the parties who were not represented in the Amman talks, most of whom are grouped with the Syrians. For their part, the Syrians attempted to minimize the importance of the talks from the day they first began in Amman. A Syrian diplomatic source told AL-MAJALLAH: "We do not expect anything from these talks; we believe that previous experience has taught the negotiators in Amman that separate solutions are not solutions appropriate to the crisis of the region." The source emphasized that the Syrian position on these talks is negative, because "they will not come to anything due to Israeli intransigence with regard to matters pertaining to the West Bank, the Gaza Strip, and other occupied lands. The only thing that such meetings can produce is more divisions in Arab ranks."

#### The Syrian Ambassador

The Syrian ambassador in Lebanon, Dr Lutfallah Haydar, noted the importance of the Syrian role in settling the crisis of the region: "Syria's position as a point of contact between the two flanks of the Arab nation in Asia and Africa and its historical role in calling for Pan-Arabism and unity affirm the truth of the remark, 'if it is true that it is impossible to wage war without Egypt, it is also impossible to conclude peace without Syria.'" The Syrian ambassador emphasized the importance of establishing a strategic balance between Israel and Syria. He said: "Working towards achieving that will undoubtedly help establish stability, security, and peace, because a strategic imbalance will lead to more disasters, occupations, and oppression in the Middle East."

The Syrian diplomats criticize the negotiations, which do not take Damascus' position into account, on the grounds that the Syrian front is the one that is actually confronting Israel, and that the elements of the settlement that Syria is proposing are "Pan-Arab elements based on the interests of the Arab nation." In this regard, the Syrians refuse to discuss the occupied Golan Heights as a separate issue in the Syrian-Israel confrontation. "The Pan-Arabism of the battle," in their view, means that "all Arabs are concerned with the Arab-Israeli struggle," and that "it is not a matter of recovering meters occupied by Israel, whether in Sinai, the Golan Heights, the West Bank, the Gaza Strip, or southern Lebanon." Says one Syrian diplomat, "The Golan is not dearer than the other occupied lands; Syria herself does not consider it so, and cannot act on that basis." Syria emphasizes two basic factors for a settlement in the region: The necessity that the settlement be concluded at an international conference in which all sides take part, including the Soviet Union, and the necessity for establishing an independent Palestinian state. One of the rifts in Syrian-Soviet relations is that when the Syrians were cautious about Amman talks, AL-MAJALLAH learned from informed sources that the Soviet Union notified both the Jordanian Government and the leadership of the PLO of its support for the talks, and its belief in the necessity of their achieving positive results. This source said: "Moscow is very interested in a stronger independent role for the PLO in settlement talks in the region; moreover, Jordanian-Soviet relations are excellent at this time."

In its public positions, Syria is proceeding on the basis that it is not easy to oppose the slogans which it proclaims and considers the essential necessities,

including "the Pan-Arabism of the battle," "rejection of separate solutions," and "independence of Palestinian decision-making." Despite the desire shared by the Jordanians and Palestinians, or most of them at least, to achieve a bilateral settlement without regard for the Syrians, the Amman talks have proven that it is not easy to achieve practical results in this regard, especially after the Lebanon experience. It is an important coincidence that the Jordanian-Palestinian talks took place in Amman at a time when the Lebanese president, Amin al-Jumayyil, was ending his special 17-month relationship with the United States and turning to the Syrian capital to seek a solution to the Lebanese crisis. For this reason, the Jordanian-Palestinian talks reached results that leave the way open for a possible dialogue with Syria and emphasize the positions that the Syrians maintain publicly, such as "support for the PLO as the sole and legal representative of the Palestinian people," and working for "continuing the implementation of the resolutions of the Fes summit."

After the conclusion of the Amman talks, observers anticipate contacts between the Fatah organization on the one hand and the People's Front and the Democratic Front, which had opposed the talks, during a meeting for which preparations are being made this month in Aden, in addition to internal meetings within the Fatah movement. The aim of these meetings will be a mutual understanding among the factions opposed to the dialogue, in a way which will take into consideration the Syrian regime's position and gather the greatest possible amount of Palestinian and Arab support for any upcoming talks.

9310

CSO: 4404/389

BRIEFS

ARAB DEVELOPMENT ORGANIZATIONS--The Arab development organizations will be holding a conference in Abu Dhabi between 12-14 April. During the conference, the extent of financing funds' and institutions' ability to be self-sufficient will be discussed. The Abu Dhabi Fund for Arab Economic Development is hosting the conference; it is now studying the financing of a number of projects in the Sultanate of Oman, Bahrain, Tunisia and Mauritania. The issue of Arab agricultural development will occupy a large part of the discussions at this conference. The last conference for Arab development organizations was held in Morocco last year. [Text] [London AL-TADAMUN in Arabic No 48, 10 Mar 84 p 59] 9310

CSO: 4404/389



PRIVATE INVESTMENT PERFORMANCE DURING LIBERALIZATION REVIEWED

Cairo AL-AHRAM AL-IQTISADI in Arabic No 791, 12 Mar 84 pp 23, 24

[Article: "Private Investments in the Development Plan"]

[Text] At a press conference he held recently, Dr Wajih Shindi, minister of international investment and cooperation, described the investment situation in Egypt and its 1983 results in the context of the Law on Companies and the Investment Law. He also dealt with the status of construction and construction rates on projects to which agreement has been given, the volume of production and services from them, and the effect of these projects on the balance of payments. At the end of the conference he dealt with the overall results of investment activity from 1974 to the end of 1983.

At the start of the conference, he said that the total volume of private sector investment in the plan has been estimated at about 8.3 billion pounds in the 5 years of the plan, or an average of 1.66 billion pounds a year.

Private sector investments assume two forms. There are investments outside the framework of the Investment Law and the Law on Companies, which represent the investments individuals make in unofficial form; their share comes to about 55 percent of targeted private investment in the plan, or an annual average of 913 million pounds.

There are investments regulated within the context of the laws on investment and companies, that is, within the context of the jurisdiction of the Investment Affairs Ministry. Their share comes to 45 percent of total targeted private investments, or an average of 747 million pounds a year.

The Results of Private Investment in the Context of the Law on Companies

In applying the principle of most favored status for Egyptians which the Investment Ministry has declared, agreement was given in 1983 to the establishment of 146 Egyptian companies in the framework of the new Law on Companies, after this law was put into actual effect. Their total capital comes to 260 million pounds, and their total investment costs to 520 million pounds.



The total number of investment companies established in the context of the Law on Companies from the time it went into effect on 1 November 1982 to the end of 1983 came to 167, with a total capital of 289 million pounds and total investment costs of 578 million pounds.

The total number of new Egyptian corporations established in the period of 14 months comes to 85; their total capital came to 274 million pounds, while the total number of corporations established over a period of 20 years from 1961 to mid-1982 came to just 60 and their total capital to about 43 million pounds.

#### The Results of Private Investment in the Context of The Investment Law

Agreement was reached in 1983 to 189 investment projects in the context of the Investment Law; their total capital was 747 million pounds and their total investment costs were 2,239,000,000 pounds, including:

175 projects inside the country, with a total capital of 698 million pounds and total investment costs of 1,134,000,000 pounds.

14 projects in the free zones, with a total capital of 49 million pounds and total investment costs of 105 million pounds.

In granting the approvals given in 1983, emphasis was placed on productive projects, in keeping with plan priorities. On this basis, the approvals of projects inside the country included 86 industrial projects, 23 agricultural projects, 20 projects in the area of financial investment, 20 projects in the area of contracting and housing, and 26 service projects.

#### The Total Results of Private Investment

The total number of project approvals in the context of the laws on investment and companies in 1983 came to 335; their total capital was 1,007,000,000 pounds, and total investment costs 1,759,000,000 pounds. Total approvals in 1983 represented the highest rate of approvals when compared with previous years. These were as follows [listed at top of following page].

Since the annual average total private investment lying within the jurisdiction of the Ministry of Investment in accordance with 5-year plan estimates is estimated at about 747 million pounds a year, the ministry managed to realize an investment volume of 1,759,000,000 pounds in 1983; in comparison with the private investments carried out in the first fiscal year of the plan (1982-83), the ministry realized an investment volume of 2,082,000,000 pounds or a rate of 278 percent of the targeted amount.

Year	Number of Projects
1974	86
1975	123
1976	110
1977	177
1978	176
1979	203
1980	206
1981	331
1982	153
1983	335

#### Contributions to Total Capital of Projects (Domestically and in Zones)

The total capital of investment projects approved in 1983 (domestic and in zones) came to 47 million pounds. The contributions were as follows:

Domestic	Pounds	Percentage
65 Egyptian	540	72
23 Arab	138	18
12 Foreign	69	10

Egyptians' contribution to total investment project capital rose from 323 million pounds in 1983 to 540 million pounds in 1983, that is, by an increase of 67 percent.

#### Rates of Construction

In applying the principle that a serious authority needs a serious investor, on grounds that the approval of the project is to be considered a permit to carry it out and not a permit to delay investment, approval of 92 such projects which had been approved in previous years was cancelled in 1983 because they had not taken serious steps toward construction or had violated the purpose specified in the approval, based on seriousness in the method of followup. The number of projects which started construction activity at the end of 1983 totalled 902, as compared with 770 at the end of June 1982; thus the rate of construction of projects rose from 32 percent in June 1982 to 52 percent at the end of 1983, or an increase of 20 percent.

The total number of projects on which construction work began in 1983 came to 132, with a total capital of 606 million pounds and total investment costs of 911 pounds, while the total projects on which construction activity began in 1982 came to 115, with total capital of 277 million pounds and total investment costs of 423 million pounds.

#### Volume of Production and Services

In November 1982 requests for actual budgets of investment companies which began construction activity was initiated, so that the results of their activities could be determined, and thus for the first time an actual census was available to the authority concerning the volume of production and services of investment projects. The authority adopted the measures necessary to stop dealings with companies which had not sent their budgets after having been told to do so.

On the basis of actual data from companies which started activity in 1981 and presented their budgets, which were 249 in number, the total volume of production and services came to 714 million pounds, and the volume of production and services in 1982, on the basis of the budgets of 287 companies, came to 1,167,000,000 pounds. The volume of production and services includes:

Industrial and agricultural production of 418 million pounds in 1981; this rose to 701 million pounds in 1982.

Services worth 296 million pounds in 1981; this rose to 465 million in 1982.

Investment projects in 1981 for the first time added production of goods and services worth 714 million pounds to national product; this rose to 1,167,000,000 in 1982.

#### Effect on the Balance of Payments

Investment projects, through domestic production, realized import substitutions worth 405 million pounds in 1981. That rose to 685 million pounds in 1982.

Investment projects in 1981 realized actual exports of 19 million pounds; of this, 13 million pounds were advanced (commodity) exports and 6 million pounds were non-advanced exports. Actual exports in 1982 realized a total of 32 million pounds, of which anticipated commodity exports constituted 17 million pounds and unanticipated exports 15 million.

Through an economic computation, the total effect the investment projects realized becomes:

	1981	1982	
Import substitution	405	685	million pounds
Plus anticipated and unanticipated exports	19	32	
[Total]	424	717	
Less imports of accessories	174	303	
[Total]	8	250	414

## Total Results of Investment Activity from 1974 to the End of 1983

The total number of investment projects which were approved between 1974 and the end of 1983 came to 1,899, with a total capital of 7 billion pounds and total investment costs of about 12 billion pounds. Of these, 1,732 projects were in the context of the Investment Law (Law 43); they had total capital of 6,943,000,000 pounds and total investment costs of 12,378,000 pounds.

In addition, there were 167 projects in the context of the Law on Companies (Law 159). Their total capital was 289 million pounds and their total investment costs 520 million pounds.

The total number of projects which started operating between 1974 and the end of 1983 came to about 900, with total capital of about 2.6 billion pounds and total investment costs of 4,113,000,000 pounds, including:

286 industrial and agricultural projects.

155 investment projects.

191 projects in the area of contracting and housing.

118 service projects.

252 projects in the free zones.

[Total] 902.

The rate of construction of investment projects rose from 32 percent of total approvals at the end of June 1982 to 52 percent at the end of 1983, for an increase of 20 percent in a year and a half.

Arab contributions to total capital in investment projects (domestic and free zone investment) increased from 16 percent in 1981 to 29 percent at the end of 1983.

The share of Arab contributions to capital in the case of domestic investment projects only increased from 16 percent in 1981 to 23 percent at the end of 1983.

Private sector participation in investment projects played a prominent role; the rate of the private sector's contribution to total capital in projects approved between 1984 and the end of 1983 came to 29 percent and the rate of private sector participation in domestic investment projects came to 39 percent, while the rate of private sector participation in free zone projects came to 14 percent.

EXPERTS OFFER NEW APPROACHES TO ARAB GULF MARKET

Cairo AL-AHRAM AL-IQTISADI in Arabic No 791, 12 Mar 84 pp 24-30

[Article by 'Izzat 'Ali: "The Road to the Gulf Markets: Toward a New Export Policy"]

[Text] Though Egypt's progress toward the Gulf markets has seemed slow to everyone, and actual conditions indicate as much, have the people in charge of the export sector mapped out a vision on entering these markets? The answer so far is no. Indeed, more than that, most economic bodies in various sectors do not have a correct notion of these markets or even figures, except for individual cases, aside from which there has been nothing.

Will this continue to be the position people in charge of exports take toward these markets? In a discussion, AL-AHRAM AL-IQTISADI is presenting certain ideas or recommendations which a number of delegation members have broached. They might all be viable, but how can a limited policy toward these markets be set out? Can one apply the notion of exporting projects, in which China and Yugoslavia have preceded us?

At the beginning, let us start the conversation on the current status of Egyptian goods by reviewing the various sectors.

Next will come the ideas that have been presented regarding a new policy toward these markets.

The Status of Egyptian Goods in These Markets

First, one cannot say that Egyptian products are bad in terms of quality; indeed, they compete with other products from other countries, and this statement can be applied to industrial goods as well as to agricultural goods, although the level of packaging and canning and the method of selling goods, especially agricultural ones, has lowered the level of consumer acceptance of them. This is on top of the element of price.

One member of the mission expressed his opinion by saying "We have seen all the production of other countries, in the form of textiles. Egyptian shirts are competitive with British and French equivalents in terms of cloth, but

the manner in which Egyptian shirts are packaged is poor, and there is where the acceptable form of the foreign goods enters in, in addition to sales techniques, where the position of Egyptian goods is weak."

Second, price. It has been observed, in monitoring the market, that the price of Egyptian goods is higher than that of equivalent goods coming from other countries. As regards perfume, spirits and scents, two areas have been observed, the first concerned with packaging and the second with price. Since price is considered an extension of the costs in Egypt, imported goods bear the element of local cost in a manner that insures them against domestic inflation and idle capacity. Therefore, if we compare Egyptian perfumes with French ones, we will find that the French perfumes are very good in terms of packaging while, in making a price comparison, we find that the CIF price on arrival is equal to the poor or primitive-looking Egyptian package, empty and unwrapped.

Mosaic, ceramic and bath tile products: the Spanish type of production is considered the most prevalent one in these markets, followed by Italian products. One must not use ceramic and mosaic products as a basis for comparison and standard, because it is very de luxe and cannot be measured. However, if we use Spanish tiles as a basis for comparison with Egyptian ones, we will find that the CIF price on arrival for a meter of tile, for example, is \$2 to \$2.50 CIF as compared with \$6.50 FOB for the Egyptian tile.

One observation which has also been made on the differences of prices for Egyptian goods is that which has been raised regarding the status of Egyptian rice in these markets. Although the issue has other dimensions, a great difference between the price of Egyptian rice and other production from other countries has been observed in the Saudi market. When the members of the delegation were asked about this phenomenon, it appeared that foreign rice obtained subsidies of \$70 per ton from the government. Egyptian rice does not get these subsidies. This gives the other types an advantage in price and weakens the competitive position of Egyptian rice relative to the other types.

Third, the method of sales. The method of sale of Egyptian goods is based on the system of transactions, which the exporters conclude with importers in these markets. No particular regularity of pattern governs the arrival of Egyptian products as far as the scheduling of arrival, the study of the quantities these markets require and prices go. One member of the delegation, 'Ala' al-Bahi of the Joint Arab Food Company, expressed the observation that Egyptian vegetables reach these markets in large irregular volumes which leads to a drop in their prices and the wastage of a large percentage of them, reflecting a poor image on Egyptian goods. Another exporter adds that the quantities which are exported from Egypt are not connected to any schedule or to the degree of absorption of the market, as a result of which they are shelved and there is a large rate of wastage, to the point where the price of Egyptian tomatoes on these markets came to 3 riyals per carton as compared with 25 riyals for Lebanese tomatoes and 15 riyals for other types. What happens now with Egyptian goods in these markets is that the importers handle Egyptian agricultural goods in a manner that is different from other goods, since they are offered at special auction and sold there



for the lowest prices, because the importer wants to get rid of these goods and not be harmed by selling them at low prices, since these goods are sold on the consignment system, with the provision that the importer gets a percentage that has been agreed on with the Egyptian exporter, while the same goods imported from other countries are offered on the market in a different, organized manner and sold at suitable prices. The explanation for that is that the quantities that are exported in Egypt are not connected to a schedule or the degree of market absorption, which results in their being shelved and leads to a high rate of wastage, so that ultimately they are sold at auction for the lowest prices. Muhammad Khafaji, of the Foreign Trade Authority, added that except for beans and peas, commodities that are similar to those coming in from other countries, when the major merchants in the market find that the rate of wastage and imperfections in goods is high those goods are removed through auction and that gets them out of the market. This has been observed in the markets of the Kingdom of Saudi Arabia, which the delegation was able to enter.

Consequently, efforts are made to dispose of the goods at any price, and therefore one can say that if there were not a national agency of Egyptians overseeing the export process from A to Z, the agent there would settle the matter to his own benefit. The importer does not put money into these goods, because he sells them on the account of the Egyptian exporter; thus there is no sales agency monitoring the market on a daily basis, observing its movement and coordinating with Egyptian bodies concerning the volumes that are shipped in accordance with the movement of the market.

Fourth, the absence of regularity in shipping schedules. This is a phenomenon which now is common with Egyptian exports to these markets, causing importers to feel that one cannot rely on these goods or organize a publicity campaign for them, because they cannot guarantee their arrival.

This phenomenon, especially in the case of the states of the emirates, has been the subject of talk among importers of all Egyptian goods, since until the time the delegation arrived this was the basic problem constituting an obstacle to Egyptian exports to these markets. The shipping routes are not regular, since operations are not economic in the light of the modest volume of goods exported to these markets.

#### Regarding Egyptian Authorities

Among the observations importers in these markets raise concerning Egyptian goods, for example, are those importers in the emirates have raised:

That there is not a quick response on the part of Egyptians in meeting orders received from agents.

There should be an effort to consolidate shipments, in the sense of shipping more than one item in a single shipment.

There should be regularity in shipping schedules and a commitment to the types that have been agreed on.

There should be emphasis on closely-timed field visits by representatives of Egyptian companies to act in the light of observations by agents and the requirements of the market in its actual state.

Permanent exhibitions or a regional week for Egyptian products should be established, and there should be participation in such exhibitions as the annual Abu Dhabi International Exhibition, the spring exhibition which the Arab Commercial Center holds annually, and the annual Expo exhibition in the Emirate of Sharjah.

In addition, importers suffer from severe neglect in the packaging and wrapping of Egyptian goods. Although some types of them are superior to other similar goods, the consumer is not receptive to them because of the poor caliber of packaging and wrapping. This observation was raised by a large number of importers in these markets, along with complaints on the poor canning of Egyptian fava beans and the presence of rust on their cans. The recent report by the commercial representative which our commercial office in the Kingdom of Saudi Arabia set out was also among the observations raised on Egyptian goods. These were as follows:

Egyptian goods are to be found in the markets, but they are sold at low prices in view of the lack of storage resources. An example is tomatoes, which are sold at just 5 riyals per box as compared with a minimum of 15 riyals for similar imports from other countries.

The high price of Egyptian rice in comparison with the prices of rice imported from other countries. The explanation for this is that the Saudi government subsidizes all kinds of rice except Egyptian rice on grounds that it, as it says, is a luxury product and people with limited incomes do not consume it. One should bear in mind that government subsidies are around \$70 per ton.

The presence of some Egyptian products that do not correspond to specifications, such as potatoes that come in from the Potato Growers' Society. These shipments are not sorted, are in packages that are not satisfactory in terms of appearance and consist of about 10 percent in growths from the farm. In addition there are some types of Egyptian peas of which a large portion are hollow and 25 percent are wilted.

Egyptian citrus are a source of honor for Egypt and compete with their equivalents imported from other countries.

Egyptian products to be found on the markets are potatoes, beans, lemons, guavas, yams, peas and citrus, while the market has no Egyptian onions.

A large number of Saudi importers are ready to cooperate with the Egyptian public sector with respect to the main crops.

The report expressed its observations on the Egyptian government's permission to exporters to export inferior goods, which gives Egyptian products a bad name.



## The Status of the Various Sectors

We can specifically discuss the current status of Egyptian goods which are of importance in these markets; as the members of the visiting delegation mentioned, one can specify these as:

Foodstuffs, canned foods in particular;

Egyptian medicines;

Wood manufactures;

Porcelain and china.

First, with respect to foodstuffs and canned goods. One member of the delegation pointed out that Egyptian vegetables have been distinguished by bad quality for the most part, especially following Decree 125 for 1983, which allowed all exporters to export at any price on consignment, giving the goods to the importer, with the importer to take 15 percent of the profit and send them the rest. Since the importer had similar such goods and the Egyptian goods did not concern him particularly, he would neglect them.

In the markets of Bahrain, for example, I noted Egyptian peas in cartons kept separate from the other remaining goods. In Jiddah I saw many potatoes and various types of vegetables, all of which were of course sold on consignment; that harms the exporter and the Egyptian economy.

With respect to canned goods, Egyptian consumers are receptive to these but they are not competitive with respect to their specific prices which are to be found in the markets. In addition, the cans are poor. In the event the type of can is improved, Egypt could sell all the canned goods it can produce in these markets.

High prices are to be observed in Egyptian canned goods; for instance the price of Chinese marinated fava beans is about 25 to 30 percent lower than that of its Egyptian equivalent.

An observation is to be made regarding the nature of the circumstances of the 50 percent. This percentage is distributed among the merchant, the importer and the retailer. Normally, the importer is a wholesaler, and the wholesaler receives 50 percent and the retailer 50 percent. In Saudi Arabia, for instance, it has been observed that a 50-gram can is worth 13.5 cents per can, while it is sold to the consumer at the price of 1 Saudi riyal, which means the realization of a profit rate of more than 110 percent of the cost of the commodity. The situation is comparable in all Arab countries.

Then there is another observation regarding the exports of some agricultural goods, which is the possibility of exporting some of these goods in processed form at prices above those at which the commodity is sold in unprocessed form. This notion arises regarding peanut exports, for example; they are now exported at an average price in the three final quarters at prices which range from \$825 to \$1,000 per ton, while their price processed comes

to \$3,000, though costing only \$2,000. In addition to that, Egyptian labor is employed. Through this notion one can find a way out of the dilemma of the competition facing raw peanuts when they are exported to these markets, where they face price competition from peanuts imported from China, India and Turkey; although their quality is bad and they cannot be compared with Egyptian peanuts in terms of quality, the sale of these peanuts at very low prices causes consumers to be receptive to them. At present peanuts are being shipped in raw shells to Saudi Arabia, and they are being distributed to small peanut-fryers, not to factories; generally peanuts are exported in shells because shelled peanuts come from China and India at low prices in spite of the difference in quality.

## Second, the Medicine Sector

More than one shipment and more than one proposed shipment were brought by the medicine sector and submitted to the ministers of health in Saudi Arabia and the emirates, with a readiness on Egypt's part to supply medicines to the markets in the emirates or the ministries of health, and Egypt's readiness to train all pharmaceutical and medical personnel in its various hospitals and institutes, as well as Egypt's readiness to send its experts for training in recently established pharmaceutical plants in Arab countries. The delegation also brought an invitation from the Egyptian minister of health to all ministers of health expressing the ministry's readiness to treat Arab citizens in Social Insurance hospitals at moderate rates, in addition to the specialized hospitals and institutes belonging to the Ministry of Health and various scientific bodies and universities, such as the Heart Institute, the Infantile Paralysis Institute, and the Institute of Hearing, by specifying a special category for the treatment of Arab patients.

The Egyptian pharmaceutical companies have actually started their registration procedures in these countries and have started establishing agents at a suitable level for all Egyptian companies which do not have agents, or have agents who are not of the desired caliber.

On the presence of Egyptian medicines in these markets, the current status of Egyptian medicines in these markets and Egyptian medicine's export future, Dr 'Ali 'Ashur, representative of the Cairo Pharmaceutical and Chemical Industries Company, says "Egypt's presence in the Arab market is recent, because European and American medicines have existed in these markets in force for decades, while the life of Egyptian medicines comes to about 20 years -- a period which is not considered a life as far as the pharmaceutical industry goes. The whole volume of exports of our drugs by all pharmaceutical companies was no greater than \$9 million in 1982-83, as compared with \$7 million in 1981-82.

"This year we have ambitious goals, and hope that our drug exports will exceed \$20 million."

On the extent of the Arab market's importance for Egyptian drug exports, he said "There are no other markets for Egyptian drugs besides the Arab ones. Egyptian drugs entered the Somali market approximately 3 years ago and transactions are underway there in good form. The Libyan market took large

amounts of Egyptian drugs, which were exported overland there. We have also started to open African markets such as Nigeria, the Congo, Kenya, Uganda and Ethiopia; however, there are worries as regards the Gulf countries, since these countries have frankly lowered the budgets. Saudi Arabia postponed reviewing the bid for a period of close to 7 months instead of reviewing it last January."

#### The Position of Egyptian Medicines

"The volume of medicine consumption in these markets is relatively large, but the presence of Egyptian drugs is not at the level we would like, since we hope that they would be present in greater form and Egyptian drugs would not in any case be inferior to other drugs, with one exception, which is packaging. Attention to packaging is an important matter as far as Egyptian drugs go, and this is the only observation against us.

"However, Egyptian drug exports are now burdened by a number of factors, embodied in:

"Slow procedures for importing raw materials, which makes the producing companies delay in meeting their commitments.

"The absence of certain local raw materials which the Ministry of Industry can help the pharmaceutical companies procure. As an example of that, the companies need tons of glycerine, and each company has a stipulated quota, but we are now faced with a problem in procuring the medical glycerine we need from the salt and soda companies and the Tanta Oil [Company]. These companies are exporting medical glycerine raw, and we as pharmaceutical companies cannot obtain it for manufacture. We are also faced with a problem in procuring pharmaceutical bottles at international specifications which are not available locally."

#### Foreign Drugs Are Equal in Price to Empty Egyptian Medicine Bottles

Bishri Iskandar, representative of the al-Nasr Chemical Company, could have presented that example at the meeting the delegation held in the Export Development Center to discuss the company's entry into Saudi markets at the cost of the raw materials plus packaging. Nonetheless, there is a price difference in the competition of 30 percent in favor of the other brands, and the competition has become so intense that the price of competing medicines has dropped to a level that equals the cost of the Egyptian drug bottles when empty.

The problem Egyptian medicines face in the Gulf markets, specifically the Kingdom of Saudi Arabia, is that Saudi laws dictate that medicines be imported at the sales price that prevails in the country of origin. That means that Egyptian medicines are exported at the subsidized price. However, states Dr Mustafa Ibrahim, director general of the Pharmaceutical Information Center in the Pharmaceutical Sector Authority, agreement was reached with officials during the recent visit that Egyptian medicines would be exported at cost with the specification of a limited profit margin. This change in price would not affect the status of the competition with compara-

ble brands imported from other countries; Egyptian medicines, after the elimination of subsidies and the addition of the permitted percentages, are to be considered cheaper than their imported equivalents or at the same price level.

Except for Kuwait and Saudi Arabia, compulsory pricing is not put on medicines. There is no doubt that bids are the official door by which one can enter the market and that by participating in them it is possible to export large quantities of drugs. They depend on the activity of the agent, and the decisive factors in their regard are price, quality and prompt delivery. When a brand is given a bid award, that is considered indirect advertising for that brand, since the patients request it directly from private pharmacies, and that encourages local agents to import it directly.

However, it happens that the countries participating in these bids come in at very low prices, and as a result Egyptian medicines are defeated in many bids.

### Third, the Furniture Sector

We were late in entering the Gulf market in everything, including furniture. Our sole market currently is the Oman market. Other Arab brothers in the Gulf still rely on European production. However, as regards Egyptian production, exports take place through personal efforts between individual Egyptian exporters and Arab or Gulf importers. Mr al-Husayni Sharaf, representative of the Furniture Production Organization in the delegation, spoke, starting his discussion on the possibility of exporting furniture to these markets by saying "Before we talk about exporting to these markets we must first of all define the style of production desired there.

"Second, we do not have the volume for opening markets; although we do have investment company and public and private sector output, that is devoted to investment and it is not suitable in terms of price, form or motif.

"From the standpoint of price, the costs are high as a result of bank interest. In terms of form, we cannot make the style of European rooms that are desired there in Egypt. From the standpoint of motif, the Egyptian companies' work with raw materials for processing is not fit for these markets, which are being invaded by excellent European production." He added, "Before I talk about exports, I must provide the necessary financing. Contracts were made over agreements in these countries, but where is the financing? That is, in order for me to direct myself toward exports I must make allocations to export financing; otherwise, how can I export?

### A Decree with No Benefits

"For example, the decree the minister of economy issued regarding the exporter's right to invest the proceeds from his exports. This sort of decree was never issued in the history of Egypt, but what is the use of it if I cannot basically finance exports? I applaud this decree, but I want the local banks to finance my exports.



"Another issue. The rebate system does not work for me if Taiwan gives 25 percent in export aid and India 50 percent. We are not asking for aid from the government; rather, all I ask is that the customs duties I pay for production accessories be refunded; otherwise, it will not be possible to talk about exporting furniture."

As regards the prices of exporting furniture to Egypt, he says, "Our prices are very high, because I am compelled to increase the price by 25 percent to cope with red tape and government complications, and some employees take bribes; as a result of that, the furniture is brought back more than once from the port. All these problems raise the price, because each cost is added to the price."

"The volume of Egyptian furniture exports to these markets does not exceed 1.5 million pounds in the best of cases. By contrast, for example, as far as Saudi Arabia goes, one merchant there received 3,000 containers last November, and it is known that each container has 10 compartments. This reflects the volume of the furniture imports in these markets."

#### Trends in the Markets

On style trends in these furniture markets, al-Husayni Sharaf says, "Although these markets rely on the modern style at present, a new trend toward the use of revived styles, such as the Islamic and Coptic styles, has appeared. The major point which Egypt could exploit is the craft industry in all its forms, furniture, leather, and Khan al-Khalili [handicrafts], since receptivity toward it, in the Gulf markets or the markets of Europe, is intense, and it commands high prices, which could add great income, equal in importance to the Suez Canal."

#### Fourth, Porcelain and China Products

Although Egyptian porcelain and china products are excellent in comparison with other countries' products, the obstacle to the penetration of the Gulf markets by these products is embodied in the problem of price; the price of Egyptian products exceeds that of corresponding products in other countries by a high percentage. The solution which Karam Muhammad Ahmad of the Arab Porcelain and China Company presented is that investment companies should obtain fuel and energy at the subsidized price at least, in the case of products which are exported to these countries, so that it will be possible to enter into these markets at competitive prices, especially since fuel and energy expenses represent 18.5 percent of the cost. The member raised that at the meeting held in the Export Development Center following the return of the delegation; he said that the company now obtains a [cubic] meter of water for 50 piasters and a ton of middle distillate fuel for 185 pounds!

#### The Road to the Gulf Markets

If the status of Egyptian goods, as we have previously presented it, requires a review and a rapid or limited glance which does not require profound thought in any case, we can say that Egypt's dealings in these markets could take the form of exports of some frozen and canned goods and some

fresh fruit and vegetables, and these could also extend to include some pharmaceuticals, with emphasis on the packaging and wrapping of these medicines and performance of the necessary publicity.

However, more than one question arises:

Can Egypt's dealings in these markets be confined to a few million pounds, which is no more than a fraction of a percent of the volume of the transactions in these markets, which deal in the billions in the case of some individual commodities?

Will Egypt be content to review Arab markets, on grounds that they are the closest markets of their size, in political and economic terms?

Our view of these markets is that they will accept anything of any quality. Will Egyptian export policy, if any exists, bear with these shortcomings?

If talk and slogans on export development has been great, what is the officials' view, in the light of these slogans on the development of exports to fraternal markets?

More important, why do economic policies continue to be the captive of economic relations, although economic relations on many occasions lead to political solutions?

#### Recommendations on a New Policy on Exports to the Gulf

One idea that has been presented on entering these markets is that an actual study should be prepared on Arab market requirements.

Exports of goods which can go bad quickly, such as fresh vegetables, should be regulated so that they will be in volumes the markets actually require and the importer and exporter will not sustain losses. To the ideas he presented, the Arab Company representative added that it was possible to rely on the indigenous consumer and the foreign consumer residing in these countries, because the indigenous population accounts for no more than 40 percent of the size of the population in the Arab countries; that is, 60 percent of the consumers are foreigners, a point which could be taken into account when studying these countries' future requirements.

One can consider Saudi Arabia, the greatest of Arab markets, as an entree for penetration of the markets of all Arab countries. The population of Saudi Arabia, indigenous and alien both, is greater than that of any other market, although the emirates, specifically Dubai, are quickly rising to this level of importance, on grounds that they are the most important re-export country. For example, it is possible to export Egyptian products to Dubai for re-export to the eastern section of the Kingdom of Saudi Arabia. This is the case with most products which are exported to Dubai.

Egyptian exporters also have an opportunity to enter these markets to replace the companies which are currently prohibited from exporting to the

Gulf markets, because they deal with Israel, for instance the American firm Planters.

Customs duties on Egyptian products can be eliminated if political relations improve, and that can help Egyptian goods enter these markets at competitive prices. As one recommendation which the pharmaceutical sector has presented, Dr 'Ali 'Ashur says that the sector has called for a number of proposals which must be carried out, and these include:

Modernization of the companies' positions on agents; it is necessary to select good agents.

Completion of registration and pricing activities in the case of pharmaceuticals.

The existence of good advertising representatives in all Arab areas, whatever that might cost the companies at the outset.

The profound study of bids and consideration of the element of competition, because pharmaceuticals that enter into the bids serve their own presence in the markets.

Constant visits by people in charge of pharmaceutical companies to these countries. There also must be a publicity representative for each company in each country.

The pursuit of direct publicity contacts between the Information [Department] in the Pharmaceutical Authority and Egyptian doctors and pharmacists in Arab countries, especially since Egyptian doctors account for a large proportion, in terms of competence and numbers, in these countries.

Among the recommendations our commercial office in the emirates has presented are:

Reducing export obstacles to guarantee the continued presence of Egyptian goods, while responding to all requests, even small ones, because the mere presence of the goods in the market will guarantee that exports are gradually increased.

Encouraging private sector exporters to orient themselves toward markets, especially as regards furniture, Khan al-Khalili products and foodstuffs.

Devoting attention to regularity in shipping, along with a commitment to specifications.

Promoting Egyptian exports through visits by Egyptian commercial delegations and directing publicity to senior businessmen who are citizens of the state of the emirates to visit Egypt and become acquainted with its productive resources.

Holding specialized exhibits.

Instructions have been given to prosecute Egyptian companies and individuals who deal with Israel. In this, reliance is placed on the names and companies or individuals released by the Regional Arab Boycott Office in Damascus. In fact, a number of private sector companies and individuals whose pursuit of economic activity with Israel has been disclosed have been boycotted.

Among the recommendations the commercial representation report presented on the delegation's visit to the Kingdom of Saudi Arabia were:

Limiting different types of vegetables exported to Jidda at 10 tons per day for all types, with a coordination agency of Egyptians and government bodies to take charge of that.

Refusing to permit the grant of exceptions to exporters to export goods of low quality, even if they can present the importer's agreement to that, in order to preserve the reputation and quality of Egyptian production so that that will not be of harm to Egyptian goods in general.

Discussing the recommendation of some Saudi importers that vegetables allotted to them be shipped in their own refrigerators in order to overcome the rapid wastage of goods resulting from the intense heat of the climate in Saudi Arabia.

Providing information to bodies concerned with exports in Egypt through the office of commercial representation in Jiddah on the competitive prices of goods in Saudi Arabia.

The possibility of exporting Egyptian books and Korans and technical publications. This requires study on the part of agencies concerned with the subject of books and supplies and decrees on exports and price recovery. Egyptian books may be of value if they are to be found in these markets, in addition to cassette tapes and technical magazines in general, although it is not easy to have a permanent agent for export procedures in Egypt; in other words, export policy on books in Egypt keeps Egyptian books from flooding these markets.

The need to establish what is known as an Egyptian week by means of specialized exhibit companies in these countries. It is possible to set aside a period of a week or more in which all possible Egyptian products can be exhibited, with the provision that all sectors take part, including agricultural and livestock, industrial, chemical, mining and textile production, the Egyptian General Book Authority and the Theater Authority.

It is more important that the sector of culture and the theater be present, because Egyptian theatrical literature still represents a pioneering force as far as these countries go. It is sufficient that a folkloric art troupe visit or that a restaurant for Egyptian food be established so that the costs of establishing the fair can be met and the government will not bear any burdens.

In addition, it is possible to participate in fairs and markets in the Gulf, such as the exhibits the Arab Gulf Company for Marketing and Exhibits in Abu



lowest prices or what we might term the cost of the Egyptian medicine bottle empty.

It is necessary that this be applied in the case of all exported pharmaceuticals, not just certain types, as has been agreed.

In this manner it will be possible to carry out the ambitious goal of exporting 20 million pounds in 1983-84 as compared with 9.4 million in 1982-83.

### Exporting Projects

This concept, first of all the recommendations of the various sectors, might be worth discussing and carrying out; however, the shortcomings [sic] or the general context through which it is possible to enter these markets with a new export policy [should be determined], lest Egyptian exports to these markets remain confined to transactions depending on opportunities, individual ideas and sometimes coincidence. The idea which one member of the delegation, Muhammad Tawfiq al-Khafaji of the Foreign Trade Authority, presented was that of exporting projects, in the sense that Egypt should not export goods in isolation, production accessories, technical expertise or labor, all separately -- rather, the orientation to these markets should be based on the notion of the single project. Muhammad Khafaji says that this notion arose from the premise of a number of considerations.

First, considerations bearing on the local market.

Second, considerations bearing on the movement of Arab markets and development activity in these markets.

#### First, the Local Market

The notion is presented from the premise that the future of exports in Egypt is linked to their ability to create an internally integrated relationship among the various economic sectors and therefore to emerge from the confinement of the local market and its dominance of all export factors. In order for exports to be liberated from the confinement of the rigid stratification of the structure of Egyptian exports about a single pattern, whether that is a commodity or an economic sector, it is necessary, first of all, that the export process and the export process [sic] be linked in the form of production allocated for export.

Second, by monitoring new international developments in the export field as embodied in the form of the export of integrated projects among various sectors, so that projects will contain a mixture of these sectors, many countries have actually made progress with this pattern, especially to the Third World group in Africa and Asia (and Israel for example).

This can be done in the local context by striving to create exports through sectoral integration, that is, by exporting joint projects, and by creating participation in establishing companies which will take over domestic marketing activities in the case of goods produced locally in a manner which will provide savings in marketing stages and lower costs.

Dhabi and the Expo Company in Dubai hold; the joint sectors could share the costs and revenues.

The need to give attention to and review existing concepts for dealing with these markets in the various sectors by changing styles of publicity among consumers in these markets.

If the objective is to return to Arab markets and rise above the obstacles the Camp David agreement has posed, or if the people in charge of the Egyptian economy imagine so, it is necessary to take care that Egyptian companies or exporters not have simultaneous dealings with Israel and the Gulf countries, especially since it is well known that some joint companies in Egypt have dealings with Israel, because the boycott office there is active, and it is certain that economic dealings between Egypt and Israel are being closely observed.

As regards the general complaints the delegation faced, regarding the problem of the failure of goods to arrive at the specified time, Mustafa Abu 'Awf, of the Nakhlah and Sadu Shipping Company, which operates a shipping line between Egyptian and Gulf ports, said that the operation of the line between Egypt and these countries is uneconomic, since the ships carry goods and come back empty, increasing shipment costs. However, under the pressure the delegation faced, and the appearance of more than one importer in Cairo demanding the export of a number of Egyptian goods such as oranges, coal, foodstuffs, rice and so forth, the company decided to reduce the freight charge for companies exporting to these countries, out of its concern over the need to continue dealing with the countries and to have Egyptian goods come in at competitive prices. In fact, the freight charge on potatoes, for instance, was reduced from \$120 to \$80 per ton, and 130 tons of oranges were shipped to Muscat for the first time in 2 years. Two hundred tons of rice were also shipped to Dubai, 400 tons of rice to Abu Dhabi, and 500 additional tons to Kuwait in a refrigerated ship, in addition to 20,000 tons of coke coal to Saudi Arabia, as part of contracts which came to 23,000 tons, and 2,100 meters of pharmaceuticals to Riyadh. Thus it can be asserted that an increase in or impetus to exports to these markets will help regulate the movement of shipping to them.

#### Medical Tourist Activity

One idea the delegation from the pharmaceutical companies submitted was for numerous messages to be sent to health ministers in these countries containing an invitation from the Egyptian minister presenting Egypt's readiness to export medical tourist activity to Arab brothers in private or discounted government hospitals at suitable prices.

#### Rebates on Pharmaceutical Production Accessories

Another recommendation the pharmaceutical sector presented was for application of the rebate system for production accessories used in exported medicines, so that the latter could enter these markets at competitive prices, especially in exporting through bids, in which bids are presented at the

The effort to combine production, marketing and exporting agencies in frameworks for exporting these projects.

This will create an opportunity for overcoming the local market laws and the ability of that market, through its forces and various laws, to attract the greatest amount of production, with the result that exports now rely basically on surpluses rather than a scientific policy for total exports, which leads to the loss of foreign markets and difficulty in drawing up long-term policies and strategies and dealing with these markets through a policy on transactions.

## Second, Circumstances in These Markets

In the light of development trends in countries which engage in import substitution as a policy or model for development, Egypt must redo its economic accounts with this group in order to set out a strategy for operating on the basis of the new investment pattern in these countries, that is, the pattern of dealing with projects. Economic circumstances in these countries as a result of the increase in oil revenues over the past 10 years following the October War have created a specific law, which is increased oil country government spending and public projects which can be called [part of] the government sector. These projects, especially infrastructure, government spending and general structure projects, are multifaceted in character. The volume of government spending in the case of the public spending group comes to more than 68 percent and consequently even during the stage of oil revenue spending in the eighties government spending will continue to represent a basic feature of main activity in the oil countries. This includes agricultural and land reclamation projects and the construction of factories, especially the small and intermediate factories established in these countries with the objective of import substitution.

Projects are exported through structures. For one thing a government company is established such as the General Service Activities Company which, through the laws, can use idle capacities in industry -- this company obtains contracts to carry out projects and enter into bids which are held and are awarded to Egyptian companies. By obtaining a contract to build a factory it is possible to assign the building and construction process to an Egyptian contracting company and the installation process, for example elevators and machinery installations, to other companies. The notion of exporting projects can serve a number of goals, including:

First, operating idle capacities in factories. (Measured by the international breakdown of labor, exported Egyptian labor is in section B.) Labor is broken down by:

A. Feasibility labor -- feasibility studies and expertise (microeconomics studies).

B. Technical labor, that is, trained labor which cannot set policy but carries out policy effectively, for instance all electricity experts and craftsmen. Most of this labor in these countries is Egyptian, and it brings the projects in these countries into being. Thus Egypt has the basic resources for carrying out projects.

C. Raw labor, in the sense of raw workforce exports. Currently this is the task of labor brought in from Southeast Asia.

Second, the employment of idle capacities in factories, including human capacities. We can say that 40 percent of the capacity of Egyptian industry is idle.

In all sectors, the industrial or contracting and construction sectors, factories do not operate at full productive capacity, and thus it will be possible to absorb these productive capacities, whether of technical personnel or equipment and machinery, by directing their capacities to these markets in the form of projects.

Third, guaranteeing revenues from projects for the government, in the sense that the revenue from these projects represents assured income for the country, such as the Suez Canal, and oil guarantees the government operating revenues, including Egyptian currency.

Fourth, we can say that the activity of such companies lies in the framework of economic policy which is carried out in coordination among sectors and it also serves the notion of the interconnection of sectors and their necessity for the economic structure.

Fifth, Egypt's entry into these countries by exporting projects will help these countries face the invasion coming from Southeast Asia, which now is threatening these countries' future.

On projects which it is possible to embark on:

Muhammad Khafaji adds that it is possible to embark on projects for:

The construction of plastics factories.

Door and window factories.

Agricultural exploitation projects, in the sense of reclamation and preparation of land for the cultivation stage. The economic policies of these countries are actually directed toward these agricultural projects, for the reason that they are striving for self-sufficiency in 1985.

Tourist and hotel projects.

Projects for buildings or new cities and contracting.

China and Yugoslavia have pioneered in the export of projects. The economy is centralized through the Foreign Trade Authority in the two countries, since that supervises the various sectors. The Foreign Trade Authority in Egypt can play this role by using foreign trade companies. The authority is supposed to play this role and that is its basic goal in the coming stage. If that is not the case, it has no role or motive for existence.

## IBRAHIM SHUKRI DISCUSSES CLIMATE, SPECIAL MEASURES FOR ELECTION

Cairo AKHIR SA'AH in Arabic 28 Mar 84 p 9

[Interview with Ibrahim Shukri, president of the Labor Party, by Suhayr al-Husayni: "Candid Talk from President of the Labor Party: 'Positive Qualities of the General Climate for the Election Calls for Optimism; Provision for Postponing University Examinations during the Election; Law Does not Allow for Formation of Coalition; Coordination among Parties Continuing';" date and place not specified]

[Text] As the date for the People's Assembly elections approaches, the election campaign that parties are engaged in is becoming more vehement. Although the battle is a heated one, all evidence indicates that we are experiencing a new stage in the pursuit of democracy and that despite some flaws for which a few parties are responsible, these elections constitute the practical application of the principle of democracy, a principle we are all striving to achieve and strengthen.

Egyptian citizens now eagerly wait for everything that is published about the various parties. They are hoping that each party will begin announcing its program and its objectives and explaining how these will be implemented. Egyptian citizens want to see in these programs some creative thought; they want to see active participation and a new vision that is characterized by effectiveness and a positive approach; they do not want to see excesses and glittering slogans.

AKHIR SA'AH interviewed one of the leaders of the opposition parties, Engineer Ibrahim Shukri, president of the Labor Party. The conversation, which was candid, was about a number of significant questions that have to do with the party, the party's position on the upcoming elections and how the party chooses its candidates.

[Question] Do the election campaign tours of the Labor Party in the governorates show that the party still has the eight percent problem?

[Answer] I wish to state that we did not talk about the eight percent ratio as though it was exclusively an obstacle for the Labor Party or for other parties. We've always referred to the eight percent ratio as something that was not consistent with the idea of a proportional representation list. But as far as the labor party is concerned, our declared objective is to obtain ratios that are much



higher than this ratio. In fact, it is the normal objective of any party to strive to get a majority.

[Question] In your judgment, what is the ratio that the Labor Party can possibly get?

[Answer] I do not want to specify a certain ratio because that will depend on the climate in which the election campaign will be conducted. In addition, it will depend on the guarantees that will be available and the effort that members of our party will make amidst the masses of the people, organizing people's committees and people's representatives and covering the lists. So far the condition of all this is such that I cannot give a specific figure.

[Question] There is a problem that most opposition parties are facing. This is the problem of the large number of candidates who have to be registered on basic or provisional lists of candidates. There are to be close to 900 nominees. Is the Labor Party also facing this problem?

[Answer] The government may be overdoing it in a sense by insisting that the provisional number of nominees be the same as that of the original number of nominees, particularly for those lists that have over six nominees. In my opinion, however, this is not an insurmountable obstacle; it constitutes a difficulty in addition to other difficulties that have to do with the make-up of lists or with other matters.

#### The Party's Lists

[Question] What are the rules and conditions that the Labor Party has laid down for choosing its nominees whose names will be listed?

[Answer] The people who are chosen have to be fully prepared for national action. They have to be aware of the public interest and of the role they have to play for the country. They have to believe in the principles of the party, and they are not to have had any mistakes attributed to them. Voters should approve of them and be satisfied with them. This is what is called "popularity." We might find such individuals among people who have been engaged in political activity within the ranks of the party or even in other parties. But since the lists must be complete and since the provisional lists must have an equal number of nominees, we will concentrate on young members of the party's committees who have the necessary qualities and who would truly form the nucleus for future election campaigns where they will be able to gain experience. This is because being involved in an election campaign on the basis of a proportional representation list is something new for us. It is only with actual practice that we will find out what the aspects of this system are and what are the factors that have an effect on it.

#### Organizational Rules

[Question] What is the attitude of the opposition parties toward the new organizational rules and amendments to the election law?

[Answer] The report has not yet been presented to the People's Assembly, but the amendments are confined to making some of the rules compatible with the system of lists. They take into account the fact that nominations are no longer personal and that they are rather connected with lists. In addition, the amendments have to do with the way some conditions are to be handled, such as representatives who attend committees or how representation for women is to be achieved. In other words these proposed rules do not create new principles; they rather interpret some rules and principles that can now be found in the election law that established elections by proportional representation lists.

Naturally, if we had objections to some of the rules in the original law, our objections will accordingly carry over to the interpretations that are offered in the new amendments. In fact, I would make a quick observation that among the principles that were presented, that of the representation of parties in election committees being associated with the party's list in that precinct to which the committee is subordinate was approved. This ignores the fact that as long as a party runs in the election in any precinct, and not in all precincts, it would have an interest in all precincts, even in those precincts where it did not have a list. This is due to the stipulation that the party get eight percent of the vote nationwide.

#### Amending the Voters' Rolls

[Question] The opposition parties have asked the government to amend the voters' rolls to ensure the propriety of the elections. Opposition parties have asked that names be deleted from voters' rolls or added to them in accordance with the civil register. The Ministry of the Interior has done that. Does what has been done so far ensure that the elections will not be tampered with as the opposition states?

[Answer] I can say that this year's review of voters' rolls was much better than that of past years regarding deleting the names of reported deaths this year or changing the status of those who reached the age of 18 this year.

#### The Opposition Press

[Question] What do you think about the opposition press and what is being published in opposition newspapers now? Opposition newspapers are attacking and casting doubts on every achievement. These newspapers are forgetting that we are all Egyptians and that what they are doing is threatening Egypt's national interests.

[Answer] When I speak [about the opposition press], I speak about AL-SHA'B newspaper. Regarding concern for the national interest, I can assure you that AL-SHA'B is extremely concerned about the national interest even at our own expense and at the expense of the interests of our party. I am not mentioning the last subject which has to do with the personal attack against me. We did not wish to publish this matter in AL-SHA'B and to have it appear in large headlines on the front page. We did not exploit the incident because we placed the national consideration above every other consideration.

[Question] But it has been noticed that opposition newspapers have been waiting to catch mistakes and magnify shortcomings. It's been noticed that they totally ignore all of the government's positive contributions.

[Answer] It is true that opposition newspapers do not discuss positive actions that take place on the Egyptian scene with regard to construction and various projects. It is true that what they write is confined to a detailed presentation of shortcomings. But this is because national newspapers and the media report on positive actions. We are not required to join that group which talks about the government's positive actions and the government's party. I believe that the few pages of a party's newspaper can be used to further that party's programs and objectives and to explain its points of view.

[Question] Is it the sole objective of opposition parties and their programs to criticize and challenge everything that exists?

[Answer] No. When any shortcoming is criticized, the remedy for that shortcoming as well as a response to the criticism would be included in the same article. In fact, in setting forth many of the problems that have to do with the safe implementation and security of projects the right solution is also set forth. So if we were to say that a building fell down a few months after it had been built and that that was due to errors in execution or to lack of care in mixing the construction materials, that means that there has to be precision in execution. Does this mean that I have to mention all the buildings that did not fall down?

Speaking of the press, I read in your magazine, AKHIR SA'AH that the minister of information said that parties will be given the opportunity to discuss their programs in the national media and that that will coincide with the start of the nominations process. Thus, the parties would have 1 month or 40 days to discuss their programs in the national media. That is not enough time. We've asked for our right to have access to the media in accordance with the law, and we even went along with the method of lists in the new and partisan elections. This means that the lists are associated with the parties and their platforms and not with individuals and their status in their precincts. Therefore, I was hoping that this practice would begin early.

#### Difficulties of Forming a Coalition

[Question] Opposition parties have announced the formation of a coalition, and they've announced that they were running in the election with one list. Does this coalition still exist, or are there difficulties in achieving that coalition, as is being said?

[Answer] Opposition parties do have a measure of common interest: they are concerned about the elections being pursued on sound, democratic bases. However, there is no doubt that each party has its programs, its ideas and its policy. It was this common measure of interest that was the motive behind forming the Committee for the Defense of Democracy which the parties joined. But the fact of the matter is that the idea for running in the elections with one list was an independent idea that came up to overcome the conditions and difficulties that exist in the election law. However, that independent idea ran into legal obstacles. According to the way the law has been interpreted, a party list is a list that contains the names of only those who are members of one opposition party. That means that from a legal standpoint the character and the components of all the parties are lost. In addition, there were some objections to that which had to do with the method and ideas of parties and their differences. However, this does not



mean that all opposition parties have to run in all the precincts. But it seems to me that there can be specific coordination among opposition parties.

[Question] Has this arrangement been decided upon among you, and if so, how will it be carried out?

[Answer] We have not yet determined how to carry out this arrangement. But to put it briefly, the principle of coordination is not being turned down, and also having each party have lists in all precincts does not constitute an objective in and of itself.

[Question] AL-SHA'B Newspaper, and the rest of the opposition newspapers used to support the Wafd early in its activity. What is the opposition's attitude toward the Wafd now?

[Answer] In the previous stage when opposition newspapers supported the restoration of the Wafd, the party was agreeing with what we were calling for. We were calling for the freedom to form parties, and we opposed any measure that would prevent the formation of a new party. In the present situation, and particularly after the Wafd published its own newspaper, which carries its name, we find it normal that the party has its own means for promoting its opinions. We are calling for the determination of general principles including adherence to objectivity and mutual respect among all parties, and that includes the ruling party.

[Question] What do you think so far about the general climate that is prevailing for the elections?

[Answer] The positive steps that have been taken have to be stated for the record. We have been able to hold the meetings that we wanted to hold, even though the condition that we hold these meetings in enclosed or fenced places is still tarnishing this positive step somewhat. What I understood from the minister of the interior is that when the nominations process starts, parties will be allowed to put up large tents wherever they choose, provided they coordinate their activities in the same precinct with regard to timing and place.

But I have one observation regarding the conditions of the election campaign. The date that was set for the election and the election campaign is most unsuitable because students' final examinations will be going strong at that time. This means that at that time all Egyptian families will be preoccupied with those examinations. This will also certainly be a barrier for all young people at this stage, and it will keep them from participating in the election campaign. I find this inconsistent with what the National Party has been calling for regarding its concern that young people be represented and given an opportunity to participate.

[Question] But the date for the election was not set by the National Party; it was set by the constitution, [was it not]?

[Answer] I know that these dates are the dates that are compatible with constitutional stipulations. But we all know that these are not normal dates and that they were the result of the fact that the last People's Assembly was dissolved before it completed its term. We all know that the normal dates would be in the months of September or October. At any rate, we are making an attempt to correct this matter at least partially. We are trying to see to it that no examinations at all are scheduled at the university during the last 10 days of May.

## NEW LAW TO GIVE JUDGES MORE INDEPENDENCE

Cairo AKHIR SA'AH in Arabic 28 Mar 84 pp 10-11

[Interview with Judge Wajdi 'Abd-al-Samad, president of the Judges' Club and Vice President of the Court of Cassation, by Suhayr al-Husayni: "After the Restoration of the Supreme Court the President of the Judges' Club Tells AKHIR SA'AH, 'The Court's Independence and Immunity Protect Rights and Liberties';" date and place not specified]

[Text] "There is no conflict between the judges of the Court of Appeals and those of the Court of Cassation."

"The new court has the jurisdiction to propose solutions to speed up the slow pace of litigation."

The People's Assembly passed last week the draft bill that restored to the judges of Egypt their independence by restoring the Supreme Court with all the authorities it had before it was abolished in 1969. The Supreme Court thus has the right to watch over everything that has to do with the affairs of judges; it will appoint, delegate, transfer and promote judges, and it will do so instead of the Supreme Council for Judicial Organizations.

The fact that this law was issued in President Mubarak's administration is considered a shining addition affirming that Egypt is now truly living in a healthy and clean political climate. Not only does this law reflect the wishes of judges to obtain their independence, but it also reflects the wishes of the people. This is because the independence and immunity of the courts are fundamental to the protection of people's rights and liberties as stipulated by the constitution.

And now when will the formation of the Supreme Court begin. What has the new law added to the court? What are the limits of the minister of justice's authority on judges now and after their court is formed? What effect will the restoration of the Supreme Court have on litigants and what they endure in the courts? Do the members of the court have any specific plans for confronting this problem? What is the truth about the conflict that was brought up in newspapers between judges of the Court of Cassation and judges of the Court of Appeals after the new law was issued?

We took these and many other questions to AKHIR SA'AH's interview with Judge Wajdi 'Abd-al-Samad, president of the Judges' Club.

At the beginning of the interview with Judge Wajdi 'Abd-al-Samad, president of the Judges' Club and vice president of the Court of Cassation, we asked him:

[Question] What are your feelings now that your hopes have been achieved and the Supreme Court for which you have been fighting for many years has been restored?

[Answer] My feelings are those of one who struggled, persevered and fought until his highest objective was achieved. The restoration of the Supreme Court was something dear to the hearts of judges. They never got tired of insisting on it until it was realized for them as a result of their persistence and their struggle and as a result of the change in the political climate. The political climate we have now respects the freedom of the courts. Credit for the restoration of the court is due also to the fact that Dr Fu'ad Muhyi-al-Din, the prime minister, understands the noble mission of the courts.

#### The Demands Begin

[Question] Since 1976 judges had submitted draft bills to the People's Assembly more than once to restore the Supreme Court. But all this was to no avail. What were the difficulties you were facing, and how did this come about?

[Answer] Ever since the Supreme Court was abolished in 1969 and replaced by the Supreme Council for Judicial Organizations, judges have not stopped demanding the restoration of the Supreme Court. They did that either through the general assemblies of the Judges' Club or in the various courts throughout the country. The matter went as far as President al-Sadat, may God have mercy on his soul, who signed a draft bill restoring the old court. That draft bill reached the Legislative Committee of the People's Assembly, but it went no further and nothing happened. That was in 1979.

That was not the first time that judges demanded the restoration of their court. They had made a similar demand many years before that, and numerous recommendations to that effect had been made by the Court of Cassation, the courts of appeals and the courts of first instance throughout the republic, but to no avail. A bill was also drafted under the administration of former minister, Judge Fakhri 'Abd-al-Nabi, but nothing further was done about it because the cabinet was changed. Judge Ahmad Jininah, former president of the Judges' Club also called for the restoration of the Supreme Court in the presence of the former president when Judge Jininah addressed the Judges' Club in 1980 on Court Day. I discussed this matter with President al-Sadat in a closed meeting with members of the board of directors of the club and the minister of justice at the time. President al-Sadat then asked that the minister of justice and I draft a bill for the restoration of the court. However, the minister left the meeting without doing anything about the matter. Then I tried to work with the minister that succeeded him, and although he was the secretary general of the Judges' Club before he became minister, nothing like that happened. But when the political climate changed and I discussed this matter with Dr Fu'ad Muhyi-al-Din, the prime minister, I found him willing to comply with the judges' demand in that regard. I put that willingness to good use, and I continued to press until the draft bill was passed by the People's Assembly on 18 March. In its last meeting the board of directors of the club decided to resume its celebrations of Court Day; these

celebrations had been suspended after 1980. The 18th of March of each year has been set as the date for celebrating that day.

#### Celebrating Court Day Is Resumed

[Question] Why had you stopped celebrating Court Day since 1980?

[Answer] We stopped celebrating Court Day after the September 1981 resolutions were issued. These resolutions were issued by the former president.

[Question] Has the new law restored the Supreme Court and restored its full authorities as they were before the court was abolished in 1969?

[Answer] The makeup of the Supreme Court now is superior to its makeup before it was abolished in 1969. The president of Cairo's Court of First Instance was removed from the Supreme Court and replaced by the most senior presiding judge on a court of appeals. The new law makes the Supreme Court the final authority to which one would appeal those decisions that are made by the general assemblies of the courts of first instance and not approved by the minister of justice. The law permits the minister of justice to return those decisions that he does not agree with back to the assemblies of these courts. He may then take up the matter to the Supreme Court which would then issue a decision on the matter. The previous law authorized the minister of justice to issue the decision he saw fit if the general assemblies insisted on their decisions.

The law also authorizes the Supreme Court to amend court procedures; the approval of the majority of court members is stipulated. The 1965 law stipulated that a majority of five members was required for making such amendments. Also the authority of the Supreme Council for Judicial Organizations went no further than approving or rejecting such procedures; it did not extend to amending them. The new law also added a new guarantee to appointments to senior court positions. It stipulated that appointments of vice presidents of courts of cassation as well as presidents and vice presidents of courts of appeals be approved by the Supreme Court. That is instead of being satisfied merely with getting the court's opinion as was the case in all previous judicial authority laws.

Perhaps the most important new element in the new law is the fact that it provided a significant guarantee for public prosecutors by extending to them for the first time immunity from being fired, which is stipulated in Article 68 of the constitution. This is the immunity that all previous laws had restricted to judges only. The new law extended that immunity to public prosecutors as a body of court officers who make up an original branch of the judicial authority.

This immunity was extended to the public prosecutor and was not restricted to his assistants. There is no doubt that this guarantee is one of the best guarantees allowing prosecutors to carry out their sacred duty of serving justice with confidence. It would be right for me to state that such immunity for prosecutors is, as far as I know, unprecedented in any country in the world, both those countries that apply Roman law and those that apply Anglo-Saxon law.

The new law also provided for equal financial treatment for judges of courts of appeals and judges of courts of cassation by stipulating that the salary and

allowances for a vice president of a court of appeals may not be less than the salary and allowances for a vice president of the Court of Cassation who follows him in general seniority before he is appointed to the Court of Cassation.

#### There Are no Conflicts

[Question] What do you think about the subject that has been raised by some newspapers about there being conflict between judges of the Court of Cassation and judges of the Courts of Appeals after the new law was issued?

[Answer] There is no truth to what has been alleged about there being conflict between the judges of the two courts. They all agree on a higher, indisputable goal: the restoration of the Supreme Court and giving prosecutors immunity. The new law also did not single out the judges of the Court of Cassation and give them any privileges over those that the judges of the courts of appeals have. In fact, it did quite the opposite: it treated them equally.

This is despite the fact that the Court of Cassation in our judicial system and in all judicial systems similar to ours was the highest court. It was the court in front of which appeals from all courts were made; its rulings were morally binding on all judges, and the principles it determined were also binding on other courts in special circumstances stipulated by law. Judges of the Court of Cassation used to be financially distinguished, and for them only the age of retirement was 65. However, such discrimination has been removed in the new law which treats judges of both courts equally.

#### The Minister's Authority

[Question] What are the boundaries of the authority the minister of justice has now over judges, after the restoration of the Supreme Court?

[Answer] The minister of justice still presides over the Supreme Council for Judicial Organizations in the president's absence because this council, which is mentioned in the constitution, continues to exist. It continues to carry out the rest of its responsibilities: it coordinates activities among judicial organizations and approves the independent budget for these organizations and for the agencies that help them. It also looks into the affairs of the remaining judicial organizations without judges. I think, however, that as far as the latter responsibility is concerned the government ought to issue a law that would restore to the Council of State the forum it had before 1969. We are also equally entitled to that. The minister of justice has to comply with that legitimate demand promptly so that legislative steps for it can be taken. The demands of two other organizations must also be complied with; one organization handles the government's law suits and the other is that of the administrative prosecution. These two organizations are calling for the restoration of a court for each one of them. These courts did exist before 1969.

As far as the minister of justice is concerned, the new law restricts his authority in the Supreme Court to expressing an opinion on the matter of appointing presidents of the courts of first instance. The new law did not stipulate his approval, which was required in the law for the Supreme Council for Judicial Organizations and in previous laws as well. The new law also restricted the powers of the Supreme Court to expressing an opinion on the matter of appointing



members of court inspection [teams]. In the law for the Supreme Council for Judicial Organizations and in the laws that preceded it such approval had been required. At the same time the law required the court's approval for the appointment of directors and deputy directors for court inspection. This is a contradiction that is rejected by legislative consistency. I would hope that the People's Assembly would correct that inconsistency because judicial inspection is the essence of judicial practice. The court's approval should have been required for the appointment of directors, of deputy directors and members of court inspection [teams].

#### Solving the Problems of Slow Litigation Procedures

[Question] What effect does the restoration of the Supreme Court and the realization of independence for judges have on citizens and litigants and what they endure in the courts?

[Answer] The independence of the courts provides guarantees for litigants and citizens in general before providing guarantees for the judges themselves. This is because a judge's independence comes primarily from within: the laws confirm and support that independence; they undoubtedly do not create it. The independence of judges and the fact that their own judicial council considers legislation pertaining to them realizes greater guarantees for litigants. We do not forget that the constitution stipulated that the independence and immunity of the courts are two principal guarantees for rights and liberties. Judges are the guardians of freedom, and if they are the ones who see to it that those who are entitled to certain rights get them, then it stands to reason that they should get their rights too.

There is no doubt that settling the issues that judges have would cause them to devote their full attention to the cases that are brought before them. It is also hoped that the Supreme Court in its new makeup will propose solutions [to speed up] slow litigation procedures so that the rights of those who are entitled to them can be restored as soon as possible and all loopholes in existing laws that litigants are complaining about can be closed.

#### Achieving Independence, but...

[Question] Now that the Supreme Court has been restored, do judges have the complete independence they have been fighting for throughout the past years?

[Answer] There is no doubt that what has been done is considered a step--in fact, rather broad strides have been taken--toward that independence. But for that independence to become complete, the laws by which courts of appeals in which people other than judges participate are formed are to be repealed because giving judicial authorities to people who lack the professional background and legal experience does not provide the guarantees that are required by the principle of the rule of law and the principle of the independence of the courts. We are grateful to the government which has actually repealed some of these laws, such as Decree Number 2 for 1977 and Law Number 34 for 1972 regarding protecting national unity. It is hoped that the government will repeal the rest of these laws promptly. Chief among those laws is the law for the protection of values from shameful conduct.



This law introduced political responsibility and gave it to those who have no political power. It is an accepted principle that there can be no responsibility without authority. Also, besides the duplication that many people have dealt with regarding investigations or the courts, the law contained many provisions that are hard to understand and ambiguous. There is not enough time in this interview to go into this matter in detail. In addition, the penal provisions of this law restore the political and civil isolation which Egypt had abandoned by getting out of a revolution into a regime. The leader of the revolution used to impose political and civil isolation on citizens without going to court. He assumed responsibility for such actions in his emergency measures. Now, the courts are used for these measures. The independence of the courts would also be completed with the courts having their independent budget and having court inspection come under the jurisdiction of the Supreme Court. Needless to say, if justice is the foundation of power, then the independence of the courts is the foundation of justice.

[Question] When will the application of the new law and the formation of the Supreme Court begin?

[Answer] The law stipulated that formation of the court is to begin on the day following the enactment and signing of this law.

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MUSLIM BROTHERS' ACTIVITIES, DISPUTE WITH WAFD DISCUSSED

Secret Organization Revived al-Jihad

London AL-MAJALLAH in Arabic No 212, 3-9 Mar 84 pp 33-34

[Interview with 'Umar al-Talmasani]

[Text] The life and memory of Hasan al-Banna raises many questions about the past, present and future experiences of the Muslim Brothers. AL-MAJALLAH took these questions to numerous persons: those holding prominent positions in the Muslim Brothers' movement and those who have a political or academic interest in general Egyptian concerns.

At first we interviewed Mr 'Umar al-Talmasani, who has been with Hasan al-Banna since 1932. He is now considered the Grand Master of the Muslim Brothers in Egypt.

[Question] Why has the Muslim Brothers' movement faced a predicament?

[Answer] Predicaments have always been the norm for those engaged in missionary activity. Their cause has never been smooth. If the Prophet himself--and we are following his example--was subjected to war and persecution, it is then self-evident that this would be the case for the Muslim Brothers and their martyred imam.

[Question] Is it true what is being said about the Muslim Brothers that they were hasty and that they tried to reap the fruits before their time?

[Answer] It is not true. If we were to go back to the letters of the martyred imam, we would read in them that he called for deliberation. The fault then was neither in the message nor in the messenger; it was rather in others. The fault lay in oppressive rulers, in exploiters and in those who were corrupting others. The fault lay in the superpowers who fear the awakening of Muslims. All these people are still fighting the message of the Muslim Brothers. I would like to affirm that the Muslim Brothers' message has not failed because they never sought power. The Muslim Brothers' primary objective has been to educate men, and in that they have succeeded to a great degree. We find Muslim Brothers everywhere, and no one can deny their influence on Egyptian society. Among the manifestations of their success is the fact that they have made Islamic law the principal source of legislation in Egypt's constitution.

[Question] Some people say that the Muslim Brothers' special or secret organization is one of the reasons for the Muslim Brothers' predicament because of the excesses committed by that organization. What do you think about that?

[Answer] The special organization, which is made up of the society's best young men was established in the Society of Muslim Brothers to achieve two purposes: to contribute to the liberation of Palestine and to work for the liberation of Egypt from British colonialism. This was our duty after all governments in this area refrained from carrying out this sacred duty.

This special organization has also helped revive the notion of a holy war in the hearts of Muslims. If some mistakes were made in this regard, there is hardly anyone who does not make mistakes. The mistakes made by some people may not legally be attributed to all people. Responsibility for one offense does not carry over to other offenses particularly when these mistakes have been denounced by the Muslim Brothers themselves and rejected by the martyred imam himself.

[Question] As the seventies began, the Muslim Brothers were no longer the only group on the scene. Other groups appeared along their side, and these groups were called extremists. What is the difference between these groups and the Muslim Brothers?

[Answer] I do not like to talk about others; I only talk about myself. But the Muslim Brothers are distinguished from others by the fact that they are an all-encompassing group of people who adhere to Islam in its entirety. They also pray to God for wisdom and good counsel. They are people with a mission who invite people to believe in God; they are not judges who judge people to be non-believers or believers.

[Question] However, some devout young men have become extremist in their thinking and in their conduct. Do you agree with that statement?

[Answer] I assure you that the vast majority of young devout men are men that their nation can be proud of. They are considered role models for others. If a small minority of them have deviated from the path, it is not fair that they alone should be held responsible for that.

Counter extremism is the principal reason for the extremism manifested by some devout young men. For every action there is a reaction. By counter extremism I mean the tyranny that has oppressed our country for a long time. [I am talking about] economic corruption, moral decline and the permissiveness which tolerates all the sins that God has prohibited.

[Editor's comment] Many Muslim Brothers and others outside the society agree with Mr al-Talmasani's analysis of the extremist tendencies of Muslim groups.

Al-Shaykh Muhammad al-Ghazali, the well-known advocate of Islam told AL-MAJALLAH that extremist Muslim groups were founded because of the attitude of official agencies in the Islamic world. This means that had there been no persecution, no bloody confiscations and no violations of rights and liberties, the Islamic course would have continued to be based on wisdom and on the call for sound counsel. The violence of the authorities divided those who were working in the

Islamic field into two divisions: one division would confront evil with evil, arguing that a ruler who errs has to be penalized for his errors; the other division would confront evil with good deeds and would endure some violence for the sake of God so that officials can be restored to their senses.

'Ali Razzah, one of the earliest leaders of the Muslim Brothers added a practical example to explain this analysis. "The leaders of extremist groups were members of the Muslim Brothers who were subjected to humiliating mistreatment and torture during the campaign of arrests that we were subjected to in 1965. Shukri Mustafa, the founder of the Society of Renunciation and Repudiation shared my cell in the military prison at the time. He was merely a devout young man who had joined the Muslim Brothers to advocate the cause of God.

"But it was the severe torture that we were subjected to that changed his ideas. It also changed the ideas of other young members of the Muslim Brothers with him. I used to notice changes in that transformation every day.

"It was the terror that we faced in prison that impelled some devout young men to repudiate the government and government officials who were merciless. That was the beginning of that renunciation trend."

Dr Muhammad 'Imarah, the well-known Islamic thinker agrees with that opinion. He said, "The hard-line trend in Egypt's Islamic movement took shape in the clash that occurred between the Muslim Brothers and the regime in Egypt after the 1952 Revolution. The secular regime's reactions to the Muslim Brothers were violent, and they caused a few Muslim Brothers to adopt a new notion, that of a holy war. That notion became associated with violence as a means for bringing about the change that was being sought. Deviating from society or dropping out of society became part of the components of their thought."

Is This Reconciliation?

But what about the future of the relationship between the Muslim Brothers and these groups in Egypt?

That question came up in particular after it was noticed that some leaders of these groups took part in the funeral of Mr Salih 'Ashmawi, one of the leaders of the Muslim Brothers' movement.

We put this question to Dr Sa'd-al-Din Ibrahim, professor of sociology at the American University in Cairo, and we asked him to explain this phenomenon. Dr Sa'd-al-Din Ibrahim, who specializes in Islamic movements said, "Such occasions--the funeral of a leader or the commemoration of his memory--are considered under present Egyptian conditions among the strong indicators of the relative clout of political trends because of the absence of scientific means by which public opinion tendencies can be measured. Therefore, I would consider the funeral of the late Salih 'Ashmawi an occasion on which reconciliation among the ranks of the Islamic movement in Egypt was manifested. That occasion finalized the reconciliation between extremist Islamic groups and the parent society, the Society of Muslim Brothers. That reconciliation process was begun when al-Sadat was assassinated; in fact, it was begun 1 month earlier when leaders of all the trends of the Islamic movement were put in jail.

"The process continued after their release from prison. I believe that the funeral of Salih 'Ashmawi finalized that reconciliation."

However, al-Shaykh Muhammad al-Ghazali disagreed with that point of view. He said, "The fact that a few leaders of other groups participated in the funeral of a fellow fighter, Salih 'Ashmawi, has no special significance."

But Dr Sa'd-al-Din Ibrahim insisted on his previous analysis and said, "The fact that in September 1981 leaders of the the Muslim Brothers were in prison with leaders of other Islamic groups made the leaders of these groups reconsider their positions and realize that the reservations the Muslim Brothers had had over the use of violence did not constitute a truce or a deal with the authorities. It was the actual test for the rapprochement between the two groups, even though the effects of that rapprochement have not yet become apparent."

#### Application of Islamic Law Discussed

London AL-MAJALLAH in Arabic No 212, 3-9 Mar 84 pp 34-35

[Article]

[Text] Wahid Ra'fat: "The Wafd Party does not agree with the Muslim Brothers over the application of Islamic law."

What is the position of the Muslim Brothers on the upcoming elections in Egypt in May 1984? Everyone thinks these elections are the most important parliamentary elections to be held since the outbreak of the revolution in 1952, particularly after the decree restoring the Wafd Party to its activity.

The question is being asked now on the political scene in Egypt. It is known that the Muslim Brothers do not represent a political party and cannot run in the election as one bloc. Besides, Egypt's election laws do not allow for the nomination of independents. Candidates for election must by law be affiliated with a party.

Mr 'Umar al-Talmasani indicated to AL-MAJALLAH that the Muslim Brothers have not yet defined their position on the upcoming elections. He was also careful to point out the difference between the Muslim Brothers and parties as follows:

--The Muslim Brothers are basically interested in an Islamic education for individuals; parties focus on politics.

--The Muslim Brothers' program calls for the application of the Koran and the tradition of God's prophet; the platforms of all parties are man-made and temporal.

--All parties seek power; the Muslim Brothers are concerned primarily with the application of God's law. This can be done by them or by others.

--The Muslim Brothers do not condone political ploys such as intrigues, schemes and lack of constraints.

Since al-Shaykh Salah Abu Isma'il is the only member of the Muslim Brothers who

holds a position of leadership in one of the parties--he is a member of the Highest Board of the New Wafd Party--we asked him what he thought about the role of the Muslim Brothers in the coming elections.

Al-Shaykh Salah replied, "Regarding my personal experience I joined the Wafd Party because it is the real opposition party. The Muslim Brothers, in fact the entire Islamic movement, will join the Wafd. Members of the Islamic Legal Society and Followers of the Prophet's Tradition will join the Wafd, and the party's lists will include members of the Muslim Brothers. Although all Egyptian parties are trying to recruit members from the Muslim Brothers, so far most Muslim Brothers have chosen the Wafd."

We asked Dr Wahid Ra'fat, vice president of the Wafd, what he thought about that statement. He said, "Al-Shaykh Salah Abu Isma'il deserves credit for joining the Wafd Party when it was founded in February 1977. He has continued to be loyal to the party. Although we disagree with him about Islamic law, we do have a great deal of appreciation for him. Al-Shaykh Salah Abu Isma'il may invite anyone he wants to join the party, but those people have to be good people and they have to be accepted by the party's highest board. Those who wish to join the party will be welcomed. We do not discriminate between one member and another on the basis of religion. Our party is a political party and not a religious party. Our party is the staunchest supporter of the theory that all Egyptians are equal regardless of their religious convictions."

When we asked him about the Wafd's position vis a vis Salah Abu Isma'il's efforts to apply Islamic law, he said, "When al-Shaykh Salah Abu Isma'il discussed the application of Islamic law and when he asked members of parliament to sign his petition in that regard, he was acting in his capacity as an advocate of Islam and not on behalf of the Wafd or as one of its representatives." Wahid Ra'fat denied that that position created a crisis in the party between Muslims and Copts. When he was asked plainly about the fact that large numbers of Muslim Brothers were joining the Wafd, he said, "Muslim Brothers are against parties because they believe that there is no other party but the party of God. The Muslim Brothers supported the dissolution of parties in January 1953. Therefore, I have doubts about their wishes to join any of the existing parties unless they had a political objective in doing so. That may be a tactic whose aim is to influence these parties; it may be an attempt to impose the influence and the policies of the Muslim Brothers on those parties."

Because that position as articulated by the vice president of the Wafd could lead to a dispute between the Wafd and the Muslim Brothers, AL-MAJALLAH was interested in surveying the opinions of other parties about their attitudes toward the Muslim Brothers.

Fu'ad Nushi, the official spokesman for the Socialist Labor Party assured AL-MAJALLAH that the doors were open to the Muslim Brothers to become candidates on the Labor Party's lists. There was no disagreement with them about the application of Islamic law. Also the Muslim Brothers had been arrested with leaders of the Labor Party in September 1981. They also confer with the Labor Party on many national issues.



However, Dr Hilmi Murad, secretary general of the Labor Party told AL-MAJALLAH that no talks had been held between the Labor Party and the Muslim Brothers. But he added, "Nevertheless, it seems to me that when the lists are being prepared, a few Muslim Brothers may come forward to be nominated and placed on the Labor Party's lists. The Islamic trends will not stand by and watch as the elections are conducted. I think that the Labor Party is the closest party to them."

And what about the position of al-Ummah Party which considers itself to be the only religious party in Egypt?

Ahmad al-Sabahi, the president of the party said, "We do not accept groups in our party; we accept individuals in accordance with the conditions that are stipulated in the party's charter. A person joins our party as an individual and he becomes part of the group." Al-Sabahi accused the Muslim Brothers of attempting to join al-Ummah Party as a group and not as individuals. He said they wanted to control the party from the inside and that therefore talks with them about their contributions to al-Ummah Party had failed.

The position of the leftist Grouping Party was expressed by Dr Rif'at al-Sa'id, the assistant secretary general of the party. He said, "As a political party we are not comfortable with [the notion of] injecting religion into politics because religion is a divine faith that may not be subjected to political debate. Because the Society of Muslim Brothers does not have the capability of running in the elections as a party, its members will try to join this or the other party in the hope that some of those nominated will win so they can call for the application of Islamic law."

8592

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CONTINUING UNIVERSITY STUDENT UNREST REPORTED

Cairo AL-SHA'B in Arabic 27 Mar 84 p 11

[Article: "Students at Alexandria and al-Zaqaziq Universities Demand Repeal of 1979 Code"]

[Text] An expanded students' conference on 31 March is being called for to celebrate Earth Day and solidarity with the people of Palestine.

Students at the Institute for Physical Therapy stage a sit-in.

The awakening of students continues. Whereas security authorities had figured out their preparations for the escalation of student unrest on the political and trade union scenes on the bases of the approaching date of the examinations, the awakening of students turned out to be more powerful than had been anticipated by the authorities and by some weak people as well. The struggle to bring about the downfall of the students' decree and liberate students from the chains that have been binding them moved to the universities of Alexandria and al-Zaqaziq. Meanwhile, students at the Institute of Physical Therapy are continuing their tenacious struggle for their legitimate rights. They are continuing their strike which is going into its 3rd month. That strike has turned into a permanent sit-in at the institute. Nuclear engineering students at the University of Alexandria decided to upgrade their sit-in to a collective hunger strike that is set to start on Tuesday. They are doing this to bring about the achievement of their union demands. As we condemn the government for its negative positions and for generally ignoring the pulse of Egypt's young people, we salute the leaders of Egypt's young people.

In Alexandria

The University of Alexandria is taking up the cause for its students and for the honorable stance of its professors. It is supporting the students' struggle to regain a legitimate right that was taken away from them in the past. Their demand for the restoration of that right is presently being met with silence.

It became necessary after the conference that was held on Tuesday, March 6 and Thursday, March 8 that a new call for another conference be made because university guards had overreacted and a scuffle had occurred among students as a result of the fact that a small number of uninformed students had been planted amidst the students on orders from higher ups. A conference was held on Thursday, March 15.

On that day students had gone from the university building to the building for first year students at the College of Science in al-Shatbi. However, the guards who had formed a barrier prevented the students from entering other colleges. So the students stood outside the college walls for 2 hours.

It is worth noting that Dr 'Ismat Zayn-al-Din had made a major effort to persuade the guards to allow students to enter the campus. His appeal was rejected by the guards of the college. But in spite of that over 4,000 students showed up.

The professors who attended the conference were the dean of the College of Science, Dr 'Ismat Zayn-al-Din, Dr Sabir Sharaf and Dr Muhammad Mahdi. They delivered speeches supporting the students' demands. Among the students attending the conference were representatives of the other colleges who are members of the Supreme National Committee for the Students of the University of Alexandria. This committee was formed recently following the second conference at the university. This committee stands alongside the National Students' Rights Defense Committee at Cairo University and at al-Mansurah University.

Students' representatives spoke and denounced the presence of the guards. They demanded that the guards be abolished completely. They also condemned the present students' code.

The conference made several recommendations. It recommended that the student body approve of the legitimacy of the National Committee for the Students of Alexandria University. It recommended that magazines be published without the approval of the university guard and communications with parties, organizations and trade unions be intensified to support the students' movement.

On the same day the newsletter, SAWT AL-HURRIYAH [The Voice of Liberty] came out. The newsletter talked about the code and the university guard. Islamic groups also published the newsletter AL-'AWDAH ILA AL-HAQQ [Return to Truth].

It was noteworthy that a group of female students published a newsletter entitled, "ILA MATA HADHA AL-SAMT?" [How Long this Silence?]. They were first year students in the Department of Biology.

Sunday, 18 March

On Sunday, 18 March the general office of the Students' Association of Alexandria University was surrounded by scores of cars and policemen.

But the students held a conference that was attended by numerous professors at Alexandria University. The conference lasted 4 hours.

Early in the conference Dr 'Ismat Zayn-al-Din spoke in support of the demands of the students' movement. He was followed by 'Adil Jad, a student in the College of Engineering. 'Adil Jad reviewed the evils of the student code, and he presented a study on the 1976-1979 code.

While the conference was underway a bulletin of support for the movement in Alexandria arrived from the students of Cairo University. Then, Iyman Muhammad Muhammad, a student, announced she was resigning her membership in the association for the Cultural Committee to express her solidarity with her colleagues.

The National Committee issued a statement declaring its support for the nuclear engineering students who had staged a sit-in in the department of nuclear engineering to express their rejection of the fact that one of the professors and his conduct with the department's students had been condemned.

AL-SHA'B has learned that the students of Alexandria University are starting now to mobilize for an expanded conference to be held on 31 March to celebrate Earth Day and to express their solidarity with the Palestinian people. That celebration was called for by the Society of "al-Jil al-Sa'id" [The Rising Generation] in the College of Science. The celebration will continue till Monday, the 2nd of April.

#### An Appeal from the Students of al-Zaqaziq University

In al-Zaqaziq, the Students' Rights Defense Committee at al-Zaqaziq University issued an appeal stating [the following]:

"The student code that was concocted in 1979 and imposed on the masses of students was one of the shameful professional attempts that were set forth to distort the struggle of the students' movement. It is an attack on the course of the students' movement, and that is rejected. It was the students themselves whose honorable and tireless struggle has recorded one of the most cherished days in the history of the National Movement of Students: 21 February, Students' International Day.

"We are demanding the elimination of university guards whose presence distorts the being of the university as well as its historic role. The voice of al-Zaqaziq University rises to join in solidarity the free voices at Egypt's universities that are making and supporting the same demands for a radiant future for the students' movement and for the entire country."

#### The Students' Rights Defense Committee at al-Zaqaziq University

Male and female students at the Graduate Institute for Physical Therapy are still continuing their strike until this writing. This development is the result of officials' negative response to the sit-in inside the building. At the entrance to the building of the institute one sees signs that say [the following]:

"We want laws that protect us not laws that kill us."

"Our demands are professional, not political."

"Where is justice? A total grade of 85 out of 100 in public secondary school: a first-year nursing instructor."

"To be or not to be: we demand a just law."

Inside the building of the institute students can be found seated in the hallways. Their faces show the resentment they feel about these unfair conditions and the apprehension they feel about an unknown future. They regret the fact that they enrolled in the institute. On 22 March 1984 AL-SHA'B interviewed the students of the Graduate Institute for Physical Therapy, and the students said, "Officials did not respond at all to the march that was organized to the Council

of Ministers. The meeting we had with the minister of health that day produced nothing. That meeting lasted only 3 minutes."

The students related what they had gone through in their attempts to contact officials: these attempts produced nothing.

Today, we address Hasan Hamdi, the president of the university, and all officials. We ask them, "What is it that you get out of forcing young people to give up on their country and on all values and principles? What do you get out of dealing a fatal blow to a vital profession that people cannot do without?"

8592

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CORRUPT OFFICIALS WARNED OF COMING DESTRUCTION

Tripoli AL-ZAHF AL-AKHDAR in Arabic 26 Mar 84 p 15

[Article by 'Abd-al-Razzaq al-Dahish: "You Will be Destroyed, One Bug at a Time!"]

[Text] Did you know about this or not?

Did you know that the secretary of the People's Committee sold his mansion for 450,000 dinars to an Arab embassy?

Did you know that an army officer whose monthly salary is 350 dinars built a mansion that cost only half a million dinars?

Did you know that the secretary of an institution built a mansion that cost only 1 million Libyan dinars?

Did you know about the teacher, the judge and the civil servant in a People's Bureau? Did you know about those who were lying around in the neighborhoods of al-Andalus, al-Fuwayhat, Dimashq and Gharghur? And there is more on the list. Did you know that we were not equal?

How do they live, and how do we live? How do their children live and eat and bathe? We will not tell you long live your good socialism!

Did you not tell us that we got sick often; that our perspiration was dirty and that we worried too much? Did you not tell us that we did not know how to wear a necktie?

Did you not hate the long lines in front of dairy stores where we stood? Did you not hate the fact that we crossed over the lines that were drawn on the roads? Did you not hate our worn-out cars, that is, if we had cars at all?

Are you saying that the burden for all this is not being borne by the poor? This burden is being carried on the backs and heads of the poor. It is a burden that we are weary of and will drop. We will drop this burden harshly and violently. We will destroy these mansions from above, and we will set fires under their rooftops to destroy them, one mansion at a time. We will throw the bricks of these mansions into the sea and turn them into bridges. We will turn these mansions into fields of green, or we may just leave them. It may be better to turn



them into a public facility and to let the people decide what they want to do with the mansions and the homes of the gentlemen, Gentlemen!

May your socialism be short-lived.

Did you think that the revolution was that preoccupied in its national cause and in its human causes? Did you think that we would leave you alone and overlook what you were doing? Is that why you began ignoring and discarding the revolutionary law? The waste paper basket in which you threw the revolutionary law will testify to that! Who was it that gave the secretary of the People's Committee permission to do what he did? Who was it that gave the officer and the secretary of an institution permission to build their mansions? Is the law like a spider's web that lets a large, strong fly survive but dooms the weak fly to death? This is the most despicable house, ye descendants of woodworms/the Sanusids. First, do you or do you not admit that you are cowards? A horseman in your midst cannot take out the eye of a chicken, not even the eye of a fly!

Which one of you can fight in a people's war? Which one of you can stand behind a gun or hold a hand grenade in his hand? Those mansions make your hands tremble like an electrical fan. O, you cowards, what will you tell the people when you face the revolutionary courts?

How did you, an officer, get such a mansion? And how did you, a secretary of a People's Committee, get all this? And how about you, the consummate socialist, the secretary of a socialist establishment? Who is going to intercede on your behalf? Would you build mansions on the land that challenges the greatest devil of all? Although the Revolution bides its time, none of you should think that it will fail to take note of this.

The frenzy of mansions and of living in luxury kept you from getting to know the Revolution. We were wrong to use the color white with the wicked predecessors. But let it be known that a revolutionary who came from the same place you came from will not offend, and if he does, do you think he will do so repeatedly? Do you think he will? O, you thieves, you think only of the stolen goods you have in your pockets!

What God and the revolution said about you is imperative. We will wipe you out. We will destroy that mansion as we destroyed the U.S. embassy. What did the revolutionaries do to the U.S. embassy in Beirut?

Oh how I wish for that incident to become a daily affair! Let us see who is it that expects revolutionary wrath to subside and vanish. May it be you who perish of rage or from the joy we feel at your misfortune.

You said we will not be able to make one brick fall down!

Let history show that the revolution will be an earthquake under your feet that will destroy you. Let history show that the revolution will be a storm that will hurl you into the Mediterranean. Pay no attention: we will persuade the kind sea to tolerate your filth. It has tolerated many of America's ships: some of these ships are lying on the bottom of that sea and others are awaiting their inevitable doom.

You said we envied you. How can we envy you, you vermin?

Would a toiler who takes pride in his own labors envy a thief who robs him?

We will get rid of you, one pest at a time. We will examine all documents; we will examine your books and bank records. And we will find out how you got your hands on the people's property. We will find out who was it that got the people's property out, and we will find out who personally disposed of the people's property, thinking of himself as the master of this property. You have to bear in mind that it is the people who are the masters of the land.

Anyone who takes what belongs to the people should know that the people's property is terrifying.

O conqueror, O thunder, O morning, O joy!

We will crush your heads with our axes. But it would be better if we did not. Let your skulls be toilets or garbage cans! You can choose what you want your skulls to become.

Is it better that they become toilets, or is it better that they become garbage cans? We are very merciful with you: we are giving you a choice in some things, not in all things; so choose!

We will find out about all the filth in the bank.

We will find out how you used our seaports to dispose of your own merchandise. Who opened the door, and who made the lock for that door?

You will not stand alone under the blade of the axe. There will be many of you. We know that a monkey, a cat, a goat or a cow has one tail. You, however, have many hangers-on, and we will bring them one by one on a day when your documents, your mansions and your hangers-on will testify against you.

[You say] they are not many? Who then gave the loan? Who was it that brought you the cement?

Who is it that wrote down the particulars of the deal?

Our deal now is your filth.

Those people were asked for a bag of cement and for a quintar of iron to reinforce the roofs of homes that were about to collapse on top of those who were living in them. Misfortune is the constant companion of these people. O for those homes to be rendered roofless and to be stripped of their walls! What I mean to say is that that ceiling will not last long. And now that person will know that the ceiling of a poor dwelling is stronger than the concrete pillars of gentlemen's mansions.

Gentlemen, he who lays a brick on false foundations should know that what he built will be destroyed.

This is a lesson in history. I do not believe there is anyone who would forget a harsh lesson, [is there]?

Did you forget that the revolution is like passing time? No one in this universe can stop time for 1 or even half a minute. What kind of vermin are you?

Let me ask you, who is going to intercede on your behalf?

The devil did not intercede for [your] predecessors, and he will not intercede for you. Don't try to be more stupid than you are and call on the devil to tell him, "Save us." What if the devil were to come and to say that he washes his hands of your deeds? In fact he will fight with you because you tried to tempt him.

The only thing that will intercede for you will be for two, three or four of you to take your own lives. What would you like to do? Would you rather wait and see how we will take your lives one by one and slowly?

Do you say that one of you is worth 100? No, each one of you stole 1,000, but he is not worth one bug, and may the bugs forgive us!

Which one of you has tried to live the life of poor people?

Which one of you has tried to stand in line?

Everything comes to the doorsteps of your mansion. Now we will show you how we live and how we sleep without mansions. May your eyes, you cowards, know no sleep. You will discover that socialism is not your brand of socialism.

We will put an end to these differences.

Do you say we live with bugs? What are you then?

I forgot to say that an order will be sent to the revolutionary committees to raid these mansions, and you will be having a most unwelcome guest!

8592

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SUGAR BEET PRODUCTION FOR 1984 REPORTED

Casablanca LA VIE ECONOMIQUE in French 16 Mar 84 pp 8-9

[Article by Rabat correspondent Mohamed El Amine Palamino: "The 1984 Sugar Beet Crop"]

[Text] 73,100 hectares planned; 69,425 planted; 66,485 harvested. Production: 2,589,000 tons with a productivity rate of 38.9 T/hectare.

Despite particularly unfavorable climate conditions and the low availability of water in the dams (Gharb, Tadla, Haouz), the 1982-1983 crop has registered a record high production of sugar beets, sugar cane and sugar.

Sugar production has reached the level of 430,000 tons, covering 70 percent of our consumption.

Climate Conditions in the 1982-1983 Season

The 1982-1983 season was characterized by a precipitation deficit whose severity varied depending on the region.

This season experienced two dry periods:

--A first period that lasted the entire month of January, which delayed harvesting of all the beets planted late, particularly at Bour Gharb and Loukkos.

--A second period from mid-February to mid-March.

These two dry periods caused damages to approximately 2200 ha in the Gharb and 700 ha in Loukkos. The rains recorded starting at the end of March allowed a certain correction of the situation in these two areas, specifically:

In the Tadla and Haouz regions, this season was characterized by an extremely severe precipitation deficit accompanied by a cold wave during the months of December and January. The low temperatures recorded caused a delay in the beet growth, which had repercussions on the productivity rates.

First of all, here are the complete results of the sugar beet crop:

#### Areas

<u>Regions</u>	<u>Forecasts of the 1980 Sugar Plan</u>	<u>Program</u>	<u>Area Planted</u>	<u>Area Harvested</u>
OR* Gharb	27,048	23,000	20,000	17,905
DPA Kenitra	1,500	1,200	1,133	985
DPA Fes	1,250	500	127	127
OR Loukkos	7,200	7,000	5,615	4,923
DPA Chechaouene	---	200	40	34.5
OR Tadla	19,100	19,000	22,000	22,000
DPA B. Mellal	4,500	4,000	2,426	2,426
OR Haouz	1,150	1,000	933	933
OR Doukkala	12,400		13,125	13,125
OR Moulouya	6,000	5,200	4,026	4,026
Total	80,248	73,100	69,425	66,484.5

\*Regional office for Agricultural Development

The 1982-1983 season program was limited to 73,100 ha, or 91 percent of the 1980 Sugar Plan forecast (80,248 ha).

--The area planted was 69,425 ha, or 94 percent of the program decided upon and 86 percent of the plan forecast.

--The uncultivated land area planted was 19,678 ha compared to the planned 23,900 ha. The difference between the areas planted and the program planned is due to the reluctance of the planters based on the difficulty of transporting the harvest during the previous harvest in the DPA [expansion unknown] Loukkos and Fes regions and also difficulties of placing the crops in the Gharb (low availability of tractors for mechanical planting).

The area of irrigated land planted was 49,747 compared to the 49,200 planned, or 101 percent.

It should be pointed out that the planned program was exceeded by 15 percent in the Tadla ORMVA [Regional Office for Agricultural Development] and by 9 percent in the Doukkala ORMVA.

On the other hand, only 60 percent of the plan was achieved in the Beni Mellal DPA because the springs dried up and the water level dropped.

In Moulouya, only 77 percent of the plan was achieved, essentially because of farmer reluctance and the persistant problem of funds in the Garet.

--The area harvested was 66,484.5 ha or about 95 percent of the area planted (approximately 2,900 ha were destroyed in the Gharb and Loukkos regions).

#### COMPARISON OF PRODUCTION AND PRODUCTIVITY RATES

<u>Regions</u>	<u>Sugar Plan(1)</u>	<u>Season Forecasts(T)</u>	<u>Production</u>	<u>Productivity rate achieved T/ha</u>
Gharb (OR DPA)	910,670	531,000	524,486	27.6
Loukkos (OR DPA)	180,000	151,000	158,595	32
Tadla (OR DPA)	1,085,600	1,047,000		38.6
Doukkala	619,200	800,000	815,790	62.1
Haouz	40,250	21,000	22,461	24.1
Moulouya	252,000	150,000	123,202	30.6
Total	3,087,720	2,700,000	2,588,561	38.9

--The sugar beet production achieved involves 2,588,561 tons or nearly 83 percent of the sugar plan forecast and 95 percent of the maximum forecast for the harvest.

The difference between the plan forecast and the production achieved is due to the areas planted and harvested, which were only 86 percent and 82 percent of the forecast, respectively.

--The average productivity rate achieved is 38.9 T/ha or nearly the productivity rate forecast by the sugar plan (38.47 t/ha).

--The sugar beet production is estimated at 362,000 tons representing 83 percent of the plan forecast and an increase of 13 percent compared to the last harvest.

Table 2 above shows a very considerable improvement of the Gharb and Loukkos productivity rates compared to the last harvest.

However, the very great drop of productivity in the Tadla and Beni Mellal DPA compared to the last harvest should be emphasized.

In fact, for these two production areas, there is an average drop of 9 t/ha. Added to that, and particularly in the ORMVA Tadla, is a very clear decrease in polarization which reached an average of 16.2, the lowest level recorded since the introduction of the crop in the area [as published].



	<u>Area</u> <u>planted (ha)</u>	<u>Area</u> <u>harvested (ha)</u>	<u>Productivity</u> <u>rate (T/ha)</u>	<u>Production</u> <u>(t)</u>
1972-73, 197[6]-77				
Average	60,732	55,957	32.4	1,815,786
1977-78, 1979-80				
Average	65,736	61,719	36.4	2,245,960
1980-81	68,220	56,146	37.7	2,114,681
1981-82	59,525	57,315	40.3	2,313,559
1982-83	69,425	66,484	38.9	2,588,561

The table above shows the following elements:

--The area planted increased 16 percent compared to the 1981-82 season and only 1 percent compared to the 1980-81 season.

Compared to the averages for the three year period 1978-80 and for the five year period 1973-77, the area planted showed an increase of 5 percent and 14 percent respectively.

--The area harvested showed an increase of 15 percent compared to the 1981-82 season and 13 percent compared to the 1980-81 season during which nearly 12,000 ha were destroyed by draught.

--The average productivity registered a decrease of 4 percent compared to that of the previous season but it shows a certain improvement compared to the other seasons.

--The sugar beet production registered an increase of 11 percent compared to that registered in the last season.

It constitutes the best production registered to date.

9969

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# INCREASED PRIVATE SECTOR PARTICIPATION IN INTEGRATION DISCUSSED

London AL-TADAMUN in Arabic No 45, 18 Feb 84 p 63

[Article by Usamah Ghayth: "The Private Sector Complains of Lack of Representation on the Integration Committees and Demands a Solution to Its Problems"]

[Text] The first joint meetings of businessmen and investors from Egypt and Sudan were marked by a heated confrontation with government officials and officials of integration organizations. In attendance at the meetings were businessmen from the United States. The first joint meeting of the Egyptian-American Business Council and the Sudanese-American Business Council was held at the Sheraton Hotel in Cairo on 16 January. The purpose of the meetings was to discuss means of supporting Egyptian-Sudanese economic integration and opportunities for the private sector in the two countries to participate with foreign investors in integration projects. This includes American capital, which represents official government aid from the United States and has recently constituted the largest percentage of aid and loans offered to both Egypt and Sudan.

The heated confrontation began with remarks made by Dr Mustafa al-Sa'id, the Egyptian minister of economy and foreign trade, emphasizing the necessity for businessmen to attain a realistic stage in their investment activity in the context of economic integration and associated projects. For despite all the problems and obstacles--which everyone acknowledges--it is an undeniable fact that there is a high financial benefit in the form of a return on investments within Egypt and Sudan which serves the interests of private capital and businessmen in the two countries and represents an incentive to foreign investments.

The intensity of the headed confrontation increased when Dr Mustafa al-Sa'id stated that the businessmen must stop wasting time with "mere complaining" and direct their time and efforts toward work and activity before complaining. He said that an important part of their task was related to the ability to begin and work, especially since the undeniable facts of the situation and practical experience confirm that economic policy in Egypt and Sudan during the past 10 years has moved in the direction of supporting and encouraging the private sector and providing new opportunities for this sector to work and be active.

Dr Mustafa al-Sa'id's musings were not limited to the role of the Egyptian and Sudanese private sector in integration. He also dealt with the activity of the

Egyptian-American Business Council, the role of American capital, and the participation of the American companies in the economic open door policy. The minister explained that despite the assessment of what has actually been achieved, there is much that could have been achieved, but was not, over the past 8 years, which is the lifetime of the Egyptian-American Business Council.

With regard to opportunities for supporting integration, Dr Mustafa al-Sa'id explained that there are dozens of profitable projects ready for investors. He said that the Higher Integration Council, through its various organizations, is working to solve all problems and provide the necessary climate to transform integration into a living and tangible reality in various fields. He added that the necessary legislation has been prepared by the responsible committees and will be issued after it has been studied by the Higher Integration Council.

A response was made by Dr Fu'ad Sultan, president of the Misr Iran Development Bank and head of the Egyptian representation on the Egyptian-American Business Council. Mr Sultan stated that there are real problems standing in the way of businessmen and investors in the two countries in their sphere of activity. He said there is a need to take immediate legislative and organizational measures to remedy these problems, especially those related to the exchange rates of the Egyptian and Sudanese pounds, required guarantees against non-commercial risks for investments, and investment obstacles associated with the unavailability of the various general facilities necessary for the activities involved in these projects.

Joining in the response was Fath al-Rahman al-Bashir, head of the Sudanese side in the Sudanese-American Business Council, who said: "There is almost complete disregard for the private sector in the meetings of the integration committees. Moreover, there are no channels of communication between the integration organizations and businessmen in the two countries. The only way of learning about decisions and policies is through the publications of the information organizations."

Another speaker was former Egyptian Prime Minister Dr 'Abd-al-'Aziz Hijazi. He explained the necessity of active participation by the American side to provide the necessary financing for the integration projects, particularly general facilities and services projects and the necessary infrastructure projects. He called for a regional organization for aid composed of both Egypt and Sudan--as opposed to bilateral aid. This organization would provide \$1 billion to solve the funding problems of the integration projects and provide a suitable investment climate to support these projects. Replies from the American side pointed to the difficulty of implementing this in light of the regulations currently applied to the American aid program.

During the meetings, Sudanese Minister of Agriculture 'Uthman Hakim stated that the Sudanese Government welcomes the private sector in the field of agriculture and agricultural processing. He said that the Sudanese laws permit the private sector to be granted the right to utilize land for 25 to 50 years. Extension of this period is subject to negotiation. He said that the Sudanese Government offers land to investors at a nominal cost and that the required guarantees for the investors are open to negotiation and discussion.

Dr Yusuf Wali, the Egyptian minister of agriculture, also spoke. He announced that there is a group of urgent projects to support integration through agriculture and agricultural processing projects. Foremost among these is increasing the cultivated area in the region of al-Ramazayn to 110,000 feddans during the coming year from the current level of 65,000 feddans. In addition, a farm will be established in the integration area, which includes the governorate of Aswan and the Northern Province of Sudan. This farm, which will consist of 5,000 feddans, will be devoted to the production of animals and red meat. In the future, agricultural projects in Sudan will rely on intensive agricultural mechanization, which requires only small numbers of experts and technicians. The results of soybean cultivation in Sudan are extremely encouraging from the standpoint that soybeans will help provide vegetable oil to meet the consumption needs of the two countries and provide exports. He called on Egyptian and foreign capital to participate in these projects.

Dr Nazih Dayf, head of the Integration Fund, stated that there are communications with the financing and development funds in the Arab states seeking their participation in financing integration projects. These projects will ultimately serve the Arab world's consumption needs for various food commodities, animal products and meats. There are a number of projects for which the fund is currently conducting cost-benefit studies and which are open to participation by the private sector in the two countries. He said that the fund is exercising its role in the current phase according to the principles of the investment banks. In the future, the fund may develop to the point of devoting part of its effort to financing development and the associated facilities and services.

Now under study are the possibility of granting the branch of the Sudanese National Bank that has been opened in Cairo the right to deal in the Egyptian pound in addition to free currencies and the possibility of expediting the opening of a branch of the Egyptian National Bank in Sudan. This will provide the necessary funding channels for financial and investment transactions between the two countries.

It has been decided to form a joint committee of businessmen and investors in Egypt and Sudan to meet on a periodic basis in the two countries. This committee will formulate a program of action for the private sector, determine the problems that must be solved, and communicate directly with officials in the two countries and in the integration organizations to prepare the joint investment climate for local and foreign capital.

8591

CSO: 4504/217

## PROSPECTS FOR NEW FINANCING, DEBT RESCHEDULING EXPLORED

London AL-TADAMUN in Arabic No 45, 18 Feb 84 p 66

[Text] Sudan's foreign debts have now begun to cause loss of sleep among those who monitor economic affairs, particular Minister of Finance and Economic Planning Ibrahim Mun'im Mansur. Officials in the Sudanese Ministry of Finance recently conducted a review of the balance-of-payments deficit as well as a reassessment of the foreign debt position and a calculation of requirements through the end of 1984.

The results of the evaluation brought to light the size of Sudan's indebtedness. Sudan's present circumstances force it to move toward rescheduling its payments with the creditor states.

At the same time, official economic circles concentrated on preparing reassessments of the investment program for the next 3 years. Specifically, they looked at development needs and the projects needed to reconstruct and start the national economy during the years 1983 to 1986.

The latest available information puts the total balance-of-payments deficit for Sudan for 1984 at \$1.25 billion. This represents the total foreign financial obligations that must be paid by Sudan in foreign currencies during 1984 after accounting for all sources of foreign income from exports and transfers from various sources. This deficit must be furnished in order to fully meet the country's needs for necessary exports such as oil, wheat, spare parts, fertilizer and other basic goods.

In addition, the payment of interest on those debts is due and a protective reserve of foreign currencies must be supplied to the Central Bank to give it flexibility and the ability to meet emergency requirements.

Responsible sources in the finance, economy and planning departments in Sudan report that an estimated \$332 million is required for the financing of development projects during the current year. The Ministry of Finance now estimates that Sudan needs approximately \$1.582 billion from the international community during the year. This sum is distributed as follows:

--\$1.250 billion for the balance-of-payments deficit.

--\$1.322 billion for development requirements in 1984.

Facing these circumstances, Sudan called for a meeting of the advisory group, which consists of 13 states and 14 organizations. Sudan explained its economic, financial and monetary policies to the group and also set forth its investment program for the next 3 years, focusing on energy and training needs. During the meeting, the advisory group inquired about the measures Sudan has taken internally to strengthen its economic base and mobilize its domestic resources to meet the demands of development. Sudan also explained its policies calling for the elimination of all forms of subsidy. Subsidies on fuel prices have already been eliminated in the field of transport and this has led to a commitment to economic pricing of services supplied by the railroad and the Electricity Administration along with cutbacks in government spending. On the positive side, an effort has been made to make up for the resources the country has lost to confront the new situations.

The Sudanese Government is striving to convince the international advisory group that Sudan has begun to help itself before asking for what it needs, which is \$1.5 billion.

These efforts explain the fact that Sudan obtained a commitment from the advisory group for \$332 million in financing for the development program and the technical aid program and \$475 million to support the balance of payments, a total of \$708 million [as published].

In this context, some states and organizations have made arrangements whereby an additional \$95 million will be provided after the completion of certain constitutional procedures in the parliaments of some states and the verification of contacts with others over the next 6 months. This will raise the expected aid for Sudan to approximately \$900 million. This leaves \$860 million in debts payable by Sudan this year. It is working to obtain this sum from the Club of Paris and the commercial banks through approval of debt rescheduling. When this is achieved, the total foreign aid received by Sudan will be \$1.582 billion.

The position of the international group with regard to Sudan is clear. It is working to revitalize the Sudanese economy and support its private sector by preparing development programs for it that will complement the state's program. For this reason, the international group's commitment to Sudan extends to the financing of the al-Rabi' energy project, which will cost \$350 million. Moreover, its commitment extends further to the creation of a special oil fund that will be made available to Sudan so that it can obtain its requirements for oil and oil derivatives in the required quantities and at a suitable price. In addition, Sudan will be given assistance in funding huge vocational and administrative training projects which President Ja'far Numayri promised at the beginning of this month will be implemented during 1984.

The odd thing is that Sudan is facing these economic difficulties while on the threshold of an oil era. It is expected that by the end of 1985, Sudanese crude oil will have begun to flow from the western shore of the Red Sea and that pipelines will transport oil from the extreme west to be loaded into oil tankers.

8591  
CSO: 4504/217



STUDY ON ROLE OF WOMEN IN LABOR FORCE

Manama AKHBAR AL-KHALIJ in Arabic 29 Dec 83 p 3

[Report by Lutfi Nasr: "Bahraini Society Blesses Women's Entry Into the Labor Market"]

[Text] There is not the slightest doubt that the entry of Bahraini women into the labor market is occurring at a rate exceeding that of any other Gulf state. That has effectively contributed to limiting dependence on foreign labor. It has saved a lot of money that would have had to leave the country to pay for foreign labor, whose entry into the country has been checked by the work of Bahraini women.

The Bahraini woman has entered the labor market with courage, competence and insistence on sacrifice. She has succeeded in many places and has been able to attain most of her aims. That fact is not diminished by the existence of some negative things and errors that has occurred as a result of that entry. Some examples by no means comprehensive of these are: women's preference for government employment over work in the private sector, the refusal of most of them to work within the two-shift system, and the fact that men are denied opportunity in some situations in which the owners prefer employing a woman merely because she is a woman. This may have an influence on some men's obtaining suitable positions in the future. In some other situations responsible officials refuse to appoint females for their lack of trust in their competence and ability to persist in and hold on to the job, for many of them are prepared to sacrifice their positions when they marry and have children.

In any case, the Ministry of Labor and Social Affairs is interested in correcting this course. It has faith in every woman and believes in the importance of giving her the chance to enter all kinds of employment fields without exception. It is also interested in providing a suitable atmosphere in which a woman can work and be productive with increasing competence, for one of the ministry's aims is limiting dependence on foreign labor, whose wages no doubt affect the country's economy. The ministry seeks to benefit from the labor provided and the money saved.

For these reasons the ministry made a great effort to conduct a field study dealing with the issue of the Bahraini woman and work in which the economic committee helped through its expertise. This study lasted more than 2 years, starting in 1980, and was conducted in cooperation between the departments of social development and of research and social planning at the labor ministry. The study selected a sample of 400 female employees from various sectors which amounted to 15 percent of the Bahraini women who were working at the start of the study. Nor was the study limited to this. The ministry selected 400 male and female bosses of working women and solicited their opinions on all aspects of having women working under them.

This study was divided into three sections:

Section One dealt with the evolution of social relations and the circumstances arising as a result of the entry of Bahraini women into the labor market.

Section Two dealt with Bahraini working women and their opinions about the circumstances and conditions of their employment.

Section Three dealt with the work environment of the Bahraini women; the obstacles she meets and the motives she has for working. The results have been gathered into 500 full-size pages and thus we will deal here only with some of the important features without going into details in our attempt to highlight the situation of the working Bahraini woman from various aspects.

The research indicates that the Bahraini woman has remained a prisoner of her home for centuries. Bahrain is like other developing countries in this respect. Women did not begin to leave their homes until the beginning of organized schooling for women in Bahrain. Young girls in both the city and the country began to ask to go to school and so it became inevitable that the Bahraini woman would work as a teacher for girls. This exodus of women for work in this field was blessed by families that did not reject the young Bahraini woman's work in this field. Furthermore, the increase in the proportion of Bahraini women who took up teaching helped in that. We found that in 1954 there were 100 female students out of 248. Then we found that this ratio increased in the school year 1979-80 to 100 female students for every 121 male students in organized schooling.

#### Women Insist on Illiteracy Eradication

The study asserts that Bahraini women are interested in entering the labor market and know that that will not be achieved except through education. For that reason the ratio of women in the educational system increases year after year. The illiteracy rate among women, though still large, 36 percent, is nevertheless diminishing. Bahraini women have a strong determination to get rid of illiteracy. That is clear from both their large numbers in illiteracy eradication centers as well as the increase in such centers.

The local pioneers support and encourage those who succeeded in opening new centers for eradication of women's illiteracy through efforts at self-help. The study also confirms that the Bahraini woman refuses to enter the labor market until she has gone to school. She thus rejects work as long as she is illiterate except in rare cases when financial circumstances force some women to work.

## Increase of Bahraini Women's Participation in the Labor Market

Mrs Fayizah al-Zayyani, who was in charge of this study, says that the volume of participation of Bahraini women in the labor market has increased year after year. The study shows that the number of working Bahraini women in 1965 was 955 and the number rose to 1,848 in 1971. In 1979 it reached 5,988 and in 1981 it reached 14,871.

The study also shows that the largest sectors in which Bahraini women work are teaching and nursing.

The study states that about 96 percent of the female labor force in Bahrain is concentrated in three main areas: specialists and technicians, 34 percent; service workers, 31 percent; and administrative and clerical employees, 30 percent. Moreover, population statistics indicate that women are concentrated in specific jobs within each occupational category.

With regard to specialists and technicians, we note that the majority of women in this category work in the field of health; especially as nurses, assistants, or support staff, and also in teaching. The total number of workers in these two fields is 83 percent of the total number of women classified as specialists and technicians. As for the category of clerical and administrative employees most women are concentrated in the occupations of shorthand, typing, and telex operation.

The study asserts that Bahraini women still limit themselves principally to some occupations in preference to others. It has been noticed that 58 percent of all Bahraini women in the labor market work in four employment categories. These are, as percentages of the total number of working Bahraini women:

1. Teachers, 26 percent
2. General clerks, 14 percent
3. Typists and telex operators, 11 percent
4. Nurses, 7 percent.

Mrs Fayizah al-Zayyani says that the study provides an important economic indication that women contribute greatly to the financial and economic sector because they represent a large proportion within the financial establishments. The ratio of women's participation reaches 27 percent of the work force in banks and financial firms. This constitutes a large ratio when compared with the corresponding ratios in the other Gulf states.

The most important thing indicated by the study is that there is general acceptance in Bahraini society of women working outside their homes. This has helped them to contribute significantly to the vital sectors in the country including the economic.

The study states that Bahraini women's contribution to the labor force could have been larger if it were not for the increasing importation of foreign labor, especially women's. Foreign labor diminishes the Bahraini woman's chance of getting work.

The study called for allowing greater opportunity for Bahraini women because, when their contribution is large, it will have a good effect on the country's economic life.

#### Some Obstacles

The study states that the great drawback to the entry of Bahraini women into the labor market on a proper scale is the requirement of her obtaining at least the general certificate of secondary education. This is contrary to what the case was in previous years when a holder of a primary certificate could work as a clerk or teacher. Now the door is closed to illiterates and holders of primary or even intermediate certificates. Moreover, the lack of qualifications of the Bahraini girl enables the foreign girl to get ahead of her and beat her to the available openings. A third danger threatening the Bahraini woman's chance of getting suitable work is the acceptance by foreigners of lower wages, which a Bahraini woman cannot accept because of the standard of living in the country.

The study established that the labor market attracts only young Bahraini women. It does not accept those of middle and older age contrary to other societies that allow [women] of all ages to obtain suitable work. The study called for the opportunity to be provided to all women regardless of age.

The study indicates that most of the supervisors and managers at jobs are male, while we find that only very few women have been given leadership positions.

But what is the opinion of supervisors and managers about Bahraini women's work?

The study states that 90 percent of those included in the sample are of the opinion that women's productivity varies between good and excellent. Eighty percent think that their female workers have a very good understanding of the duties of their positions, 70 percent of the bosses say that the Bahraini female employee accepts responsibility, and 88 percent are of opinion that their female employees complete the jobs required of them in time or perhaps sooner.

Eleven percent of the bosses think that there are obstacles hindering the Bahraini female employee from completing her job in a proper manner, one of which is her weak skill and her lack of cooperation with her colleagues at work. Sixty percent of the bosses in the research sample think that women are equal in competence to men and 12 percent say that they are less competent.

## Motives for the Entry of Bahraini Women into the Labor Market.

Now what do the results of the study say about the motives for the entry of Bahraini women into the labor market?

The results indicate that economic motives--especially low family income, cost of living increases, and desire for economic independence--play a principal role in pushing Bahraini women to enter the labor market. These factors have contributed to 50 percent of the female employees' accepting employment.

Personal satisfaction, the strong desire for work, [the view] that an educated woman should work, and the wish to acquire qualifications were reasons given by 29 percent of female employees for joining the labor market.

Ten percent of female employees said that the reason for their entering the labor market was to fill up their free time.

More details about the motives for the entry of the Bahraini woman into the labor market were given by the results of the study:

1. Forty-six percent said that their reason for working was to contribute to meeting living costs.
2. The reason for 28.5 percent was small family income.
3. The rise in the cost of living was the reason for 17.8 percent.

It has been noted about female employees who said that they desired financial independence when they thought about work--that most of them, 60 percent, have higher qualifications than the general secondary school certificate, that they are unmarried, 67 percent, and that most of them, 87 percent, are between 20 and 29 years of age.

Analyses of work motivation for Bahraini women according to age indicate that the economic incentives were more prominent among the older age groups, 35 years and older, than among young women. Incentives of personal satisfaction were more prominent, 44 percent, among age groups below 35, while personal satisfaction figured prominently only in 15 percent of the age groups 35 and older. Most of those who mentioned that an educated woman should work were less than 35 years old, 87 percent. The same was asserted by the majority of those who stated that they had a strong inclination to work, 94 percent, as well as all those who took up working in order to acquire qualifications, 100 percent. As for those who regard work as a way to fill up free time they were all less than 30 years old.

The results of the study state: "It appears from the preceding that economic motives are general factors clearly affecting the entry of the Bahraini woman into the labor market regardless of age. However, age differences are clearly important with regard to motives of personal satisfaction which play a more important role for younger women."

The study indicates that among university women it appears that motives related to personal satisfaction are the more decisive ones in their joining the labor market. Forty-eight percent of university women said that an educated woman should work.

#### Level of Education

The results of the study assert that there is a direct relation between the level of education and the motives impelling the Bahraini woman to work. With a rise in the educational level there is a deiminishing of the influence of economic motives and a corresponding rise in motives of personal satisfaction.

It can be said that this relationship is tied to what education provides an educated person in the way of improvement of choices of lifestyle on the one hand, and in being better able to express his motives on the other. But this relationship may be connected--in Bahrain as in the rest of the developing nations--to the fact that a rise in the educational level of a person presupposes the existence of an economic situation enabling him to continue his education. The possibility of continuing one's studies is tied to economic factors, including the parents' ability to provide for the costs of this continuation and also to do without the reggraduate's potential economic contribution to the family for a long or short time.

About the 10 percent of those females who stated that they took up work to fill up their free time the study says that that is attributed to the oil wealth and to social prosperity in Bahrain.

The study says that 92 percent of the widows and divorcees mentioned that the reason for their entry into the labor market was their economic situation, whereas we find that only 56 percent of married women did so for financial reasons, and only 29 percent of single women. Work merely to fill up free time was most prominent among single women.

These were some quick selections from the research about Bahraini women and work, but the study is indeed replete with conclusions, analyses, statistics, and thought-provoking figures deserving to be brought out and debated and this is what we will do in another report, God willing.

12226

CSO: 4404/316



## FUTURE OF ARAB, OFFSHORE BANKING ASSESSED

Al-Shariqah AL-KHALIJ in Arabic 15 Mar 84 p 7

[Article by Muhammad 'Ali Kamil: "Offshore Banks and the Future of Bahrain"]

[Text] In a study published in the last issue of the economic publication issued by the United Gulf Bank in Bahrain it was reported that foreign banking units in Bahrain were being affected negatively to different degrees in the current recession in economic activities in the area of the Gulf. Government funds are less available and a number of major projects are almost completed.

Also, national banks have increased their capabilities, diversified their services, and have obtained increased experience and support while the money market has been witnessing lately a shrinking in the overall size of its transactions.

Whereas some offshore banks, which enjoy strong relations with their clients, are still maintaining acceptable growth rates for their operations in the area, others are facing difficulties in increasing their growth rates and in realizing a satisfactory return on capital.

The study indicated that Saudi Arabia will remain the major market for foreign banking units in Bahrain. It also said that it is not expected that the Kingdom's oil revenue will increase in the short term, and that the slowdown of growth which appeared recently in all areas of economic activity will continue during the next 2 years.

### Bahrain Is Better

The study also said that Bahrain is still considered at the current time to be the best center for obtaining financial services in the Gulf region. The present atmosphere in the banking sector is still encouraging, especially after the opening of two new banking units so that the total number of foreign banking units has reached 74. Also the banks have adopted new and creative methods for expansion in their area of operations to serve the Gulf area as a whole.

Some of these banks are concentrating on services which increase their banking operations such as investment banking operations and different investment services, while other banks have begun to thrust themselves into rental services, monetary management, introduction of new channels for investment such as futures

securities and stock options at a time when other banks have turned to traditional methods by concentrating on financing commerce.

The study mentioned that Bahrain has a good opportunity to become a center for the registration and trading of international bonds (valued in dollars) in the area in the same manner as Luxembourg, with the banks circulating and selling them to Gulf investors. When the bond issues are in American dollars, this assists the banks in avoiding problems affecting local liquidity and in turn in avoiding the objections of fiscal authorities in countries of the region. At the same time Bahrain can place its confidence in its relations with other bond markets in the world just as it is doing now in relation to banking deposits, thus providing the Gulf region with a profitable investment vehicle.

The economic study mentioned that Bahrain is developing as a regional financial center in unison with the entire economic and financial growth of the Gulf region. Usually, economic growth follows financial growth.

With the shrinkage of financial returns in the area, the need will appear for a regional financial center to make better use of the money supply.

Countries of the region will realize sooner or later the necessity of establishing and strengthening this market to make financing services available to the whole region. Bahrain will be the most preferable center (if not the only one) to fill this gap.

During the coming years the financial market will follow, and investment opportunities which are currently being lost will diversify, and the "Bahrain Monetary Agency" will undertake with all means possible to develop the financial market in Bahrain so that it becomes appropriate to issue commercial notes, bank notes, securities, and others.

#### Closing the Breach

Foreign banking units in Bahrain can play an important role in closing the large breach currently existing between the direct Arab investment and the realization of a better level of fiscal balance in the region. This is considered to be tantamount to the most important challenge facing the development of a regional Arab financial market.

The study also indicated that Arab banks during the period between 1972 and 1983 participated in the management of loan issuances in international currencies valued at about \$23 billion. Of these loans, 14.2 billion were extended to Arab borrowers.

These loans extended by Arab lenders to Arab borrowers realized remarkable growth in 1982 and 1983 to the extent that they comprised 50 percent of the loans issued by Arab banks. In 1983, \$4 billion, or about 51 percent of all collective loans extended by Arab banks, went to the benefit of Arab states. Thanks to their firmly established financial foundation, which amounts to about \$6.5 to \$7.5 billion, Arab banks have the ability to make firm loans which allows them to offer loans to states of the region at a rate of \$5-6 billion

annually, and Bahrain can develop gradually to become a center for borrowing and lending to and from Arab businessmen.

#### Expectations

The study forecasts that competition will flare up in the foreseeable future between foreign banking units in Bahrain, which will lead to a lessening of margins on interest prices and banking fees which these banks receive. The study made clear that with the shrinking of economic activity in the Gulf region it is not expected that an expansion will take place in the size of banking transactions in the next 2 years; however, it is anticipated that a change will occur in the distribution of the share of these transactions among the offshore banks.

It also added that with the increase in ability and maturity of the Arab banks their share of total foreign banking operations in Bahrain will increase and this is considered to be a natural development. The appreciation of Arab governments for the possibilities which Arab banks, operating in the Bahrain market, can supply them will increase gradually.

The study also predicts that more government money will be directed in the future to this market, indicating that if the large foreign banks decrease their participation and the size of their penetration of the market, then the role of Arab banks compelled to serve the area will continue.

12390

CSO: 4404/381

## PRESS AFRAID SECOND TV CHANNEL WILL HURT SUBSCRIPTIONS

Tel Aviv YEDI'OT AHARONOT in Hebrew 2 Mar 84 p 2

[Article: "Second TV Channel Will Endanger Newspapers"]

[Text] Newspaper editors have formed a united front in their sharp opposition to a second, commercial television channel. During a discussion by the education committee of the Knesset, the editors have argued that under the present economic conditions, while papers are already suffering, it is ludicrous to even bring up the idea of a second channel. "My wish for the state," said YEDI'OT AHARONOT managing editor Noah Mozes, "is that we do not reach the point of the state subsidizing the press."

With regard to the level of television, Mozes insisted: "If the government cannot control one channel, how will it control another channel or even more, when such are opened. In my opinion, there will be a drastic decline in the quality of programs, with the two channels competing for the lowest common denominator. In the end, we will reach educational and spiritual chaos, political polarization and a lowering of standards. It seems strange to me in particular that the education committee supports such an idea."

DAVAR editor Hana Zemer stressed that the opposition is against a commercial channel, rather than a second channel. In any country where commercial television has been established, papers have declined channel, rather than a second channel. In any country where commercial television has been established, papers have declined. MA'ARIV editor Shemu'el Schnitzer emphasized the economic danger awaiting newspapers, which have already "reached the poverty line." HATZOFE editor Moshe Ishon pointed out the spiritual as well as the economic dangers inherent in a second channel.

An opposite opinion was expressed by all the Knesset members of the Likud and Labor who took part in the discussion, including MK Ari'el Weinstein, who is not a member of the committee but had asked to participate in it on this issue. Television today, he said, presents a picture which is hostile to both the left and the right, and thus does not give "expression to the public."

MK Mikha'el Bar-Zohar said that television gives "distorted and ugly coverage of the Knesset," and its news reporting is poor. Both he and MK Yehuda Perah suggested having the papers participate in the second channel in order to blunt the economic sting.

Other Knesset members argued that television serves a large public which does not read newspapers, especially the elderly and the lonely and that, those who seek an alternative to the existing channel should not be diverted to the Jordanian channel.

The chairperson of the education committee, MK Ora Namir, elaborated on the monopoly that television now enjoys. She argued that in order to break this monopoly a second channel is needed. But she called upon the newspaper editors to continue the debate if they so desire.

9565

CSO: 4423/43

# QUESTION OF PUBLIC APATHY, ROLE OF PRESS DISCUSSED

Tel Aviv MA'ARIV in Hebrew 2 Mar 84 p 22

[Article by President of the Press Council, Yehoshu'a Rotenstreich; "Does the Public Want to Know?"]

[Text] The war for the public's right to know seems to be near victory. The right to know and the government's obligation to allow for knowledge and freedom of publication are among the rules of the democratic game. In various countries these rules are anchored in the constitution. In Israel they are based on a series of unequivocal decisions of the supreme court.

Judge Agranat has stated: "The principle of freedom of expression is tightly linked to the democratic process." Judge Landau reiterated: "A government which grants itself the right to decide what the citizen should know will eventually decide what the citizen should think." Lately Judge Bach, in a minor ruling, stated that in a certain problem he is examining, "there is exaggerated and unjust violation of the public interest in obtaining comprehensive and reliable information in the best and most direct way." This ruling reaffirms the right of the public to obtain comprehensive reliable information, which can only be infringed upon in exceptional cases.

Lately, however, both in Israel and around the world, on the verge of victory in the war for the public's right to know, a new and difficult problem has arisen. Does the public really want to know? In recent days the media has come under severe attack by politicians who argue that the media is responsible for the failure of this or that policy. It does not matter if the reference is to the "right economy" policy or to the "Peace for Galilee" war, even after it had carried over to the Beirut-Damascus road. Sometimes it seems to me that the famous saying that "Jews and bicycle riders" are to be blamed for everything could be paraphrased as "Jews and the media" are responsible for everything. Sayings, however, will not erase the impression that the public, or a large portion of the public, simply does not care to know.

The Israeli press operates according to the rules and methods that characterize the media of the Western world. However, Israel's unique national challenge of fighting for its physical survival and its political status puts the Israel journalist to a difficult professional test. The test is keeping objectivity--which is not always considered "patriotic"--in a society which strives for stability and internal unity. The professional imperative of objectivity ex-



press the need of the public for reliable factual information, with all the attending influences of such information on the public.

### "A Kick Accompanied By Applause"

Does the public really want to know?

There are two basic public approaches to this question. According to the first approach, the free press seeks comprehensive coverage, accurate and exhaustive, of all the "news," in the belief that the public has the right and the duty to know. Proponents of this approach maintain that the Israeli public is responsible and judicious and needs maximum information. Based on this information, the public forms its opinions and takes its stands and can deal intelligently with its leaders and their policies. This approach does not see a conflict between the freedom of the press and the common good, as the common good is ensured by the information published by the media. This precludes information which may affect the security of the state, and in order to locate and withhold such information, the law has decreed censorship, which in Israel is only security, rather than political, censorship.

There are, of course, other legal limitations to this absolute freedom, such as article 41 in the court law known by its popular name "sub judice," etc.

But the process of the flow of information to the public is not always a calm one. More than once we have seen how certain news reported by the press can shake society, revealing internal rifts and lowering its image in the eyes of strangers. Hence the second approach to the journalistic test, according to which the publication of such unsettling news and other controversial news should be limited to some extent. Proponents of this approach derive their ideological base from the belief that the public is vulnerable and overexposed to external influences, and therefore needs "education" and "direction" on the part of "authorized" elements. The same approach claims that the media does not only report the news, but also "creates" news.

According to this approach, there can be a conflict between freedom of the press and the common good--as the supporters of this approach see it--when the press publishes information which causes doubts and suspicions among the public on central policy issues. They demand control over the press or at least over the style and scope of its reporting. The motive, as stated, is the concern for "unity" of the people and their internal cohesiveness.

The differences of opinion as to the role of the media in a democratic society become sharp whenever there is no national consensus on national events.

The press, no doubt, frequently feeds and supports the second approach. In a public opinion poll conducted in the United States in 1983, it was discovered that the percentage of people polled that had "a great deal of trust in the press" dropped to 13.7 percent compared with 29 percent in 1976. Most typical is the difference between the public view and the view of the press with regard to preventing reporters from covering the invasion of Grenada in 1983. While the press unanimously opposed the prohibition imposed by the military authorities,

99 percent of those who wrote letters to ABC supported the government. Out of 500 letters to NBC, 400 supported the government, and the ratio in letters to TIME supporting the withholding of information was 8 to 1.

Max Frankel, editorial chief of the NEW YORK TIMES, wrote the following: "The most surprising thing in regard to the situation in Grenada was the assumption that the press wanted to reach Grenada not to cover the event but to undermine the army." It is a fact that at times there is a credibility gap between the press and the public. Serious papers like the WASHINGTON POST and the NEW YORK TIMES have failed in publishing articles without a factual basis, in which the so-called facts were invented by the writer, resulting in court cases and heavy damages paid. This has undermined the previously solid base of media credibility.

One should add the example of the "Hitler Diaries" in the weekly STERN, which aroused worldwide interest, and many articles on the failure of investigative reporting which "blurs the distinction between truth and lie," in the words of a paper as serious as the NEUE ZUERCHER ZEITUNG in the article "Press Undergoing Test," published on 28 May 1983.

The decline of trust in the media on the part of the public has been given palpable expression in the United States in the fact that in all the Supreme Court trials in Washington against reporters since 1972, the latter have always lost. A senior editor of the St Louis POST-DISPATCH wrote: "The press has lost public support because of arrogance, insensitivity and sensation-seeking." The White House press secretary said recently: "We are sorry to say that any time the media gets kicked it receives loud applause from the Public."

#### "Too Bloodthirsty"

The press, by its nature, is not liked by the public. It usually brings bad news. Since World War I it has covered wars, tragedies, upheavals and revolutions. Television has greatly changed the image of the media.

The list of complaints against the media is long and varied. For example: The Israeli Press Council, which only deals with the dailies, examines at least 30 complaints per month. Is the reporter truly dishonest and inaccurate, does he somewhat change the facts, invent information sources in order to color the report according to his personal bias?

Newspapers editors in the United States have recently taken a certain objection to "investigative reporting." One of them said: "We are too bloodthirsty. The readers sometimes feel that we would not publish something if someone weren't getting hurt in it."

The press, no doubt, like anyone else, makes mistakes, and whoever works at it a great deal makes a great deal of mistakes. Sometimes I get angry when an interviewer asks an interviewee a stupid question, such as the question directed to an IDF soldier about to remove mines in Lebanon--"Aren't you afraid?" Or the photographing of the faces of mourners in a funeral, which the Press Council has forbidden.

But the press has good defense. Former U.S. Vice President Spiro Agnew, who was prosecuted for a shameful offense and was forced to resign, snapped at reporters, whom he blamed for all his problems: "Who elected you?" True, no one has elected a newspaper. But one should quote a decision by Judge Irving Kaufman of New York, who has compared the press to the court in this respect. He said: "The courts and the press are an important support of a democratic regime. Since they are not accountable to the government, they can look into irresponsibility on the part of those in power." Moreover, a newspaper faces the judgment of its readers every day. If they don't like it, they can switch to another newspaper. In Israel this principle does not apply to radio and television. On the other hand, the competition among the newspapers encourages accurate reporting of events.

It should be emphasized that the Israeli media is no worse than the rest of the world media. But the entire world asks many questions about articles published by the press and its review of events. The fact that certain coverage is not popular should not be cause for concern. It may be an indication that the press is doing its job. David Halberstam, author of the book "The Powers That Be," writes: "The more questions we ask and the more we go against established rules, the more we will have to face the cross-fire of questions directed at us."

The press should be aware of its own faults, which cause the public not to want to know. One way is to correct mistakes, not in a place where no one can find the correction, but in the place where the original piece was published and with emphasis. The paper should consider the correction not an unpleasant obligation but an honorable duty which raises the esteem of the paper. The press has to get off its high horse and not treat the reader as lacking understanding or state secrets as nonexistent, in the words of an editor of the LOS ANGELES TIMES, one of the largest papers in the United States.

The most important role of the press in a democratic society is to provide and analyze information, as a forum for public debate, and serve as liaison between the public and the institutions. Without the information provided by the media--both printed and electronic--the citizen will not know what to think and what to support. A negative attitude on the part of the public toward the media endangers the nature as a democratic society. Without a strong and credible press, freedom in general and the existence of an honest and fair government are in danger.

General McDowell said during the American Civil War: "I have allowed the journalists on the battlefield, but I have instructed them to wear white to symbolize the purity of their occupation." No doubt, in order to remain free, the press must wear white. It should listen to what the public wants. In order to make sure the public does not refuse to know, the press must act responsibly. The idea that our mission is so lofty that no one can find fault with us is not logical. More lofty than our mission is the responsibility given us, according to the former president of the International Press Institute. This is true, and it also applies to the Israeli media.

9565

CSO: 4423/43

## ECONOMIC GROWTH RATE DETAILED

Cairo AL-AHRAM AL-IQTISADI No 791, 12 Mar 84 p 52

[Text] The economic growth in Jordan, which is considered to be one of the highest growth rates among Third World countries during the period of 1980 to 1984, indicates the reality of the country's economic situation, for it does not reflect the large deficit in the rates of trade exchange in Jordan, which imports 90 percent of the consumer products and raw materials that it needs. In addition, it depends to a high degree on outside financial assistance.

A United Nations report which came out recently in Geneva said that Jordan and Singapore recorded the largest economic growth rate among developing countries during the period of 1980-1984, when the growth rate of the gross national product was 7 percent annually.

Regarding the Jordanian balance of trade, the latest available statistics indicate that the value of imports in 1982 reached 142 million dinars--a dinar being about 3.3 dollars--compared to 264 million dinars representing the total income from exports.

The volume of Jordanian imports increased threefold during the period from 1979 to 1982, whereas the volume of exports, which are concentrated basically in the production of phosphates, merely doubled.

Since 1967, Jordan has depended to a large degree on financial assistance from some of the Arab states and international agencies, and that has greatly increased the national per capita income, which rose from 141 dinars in 1973 to about 713 dinars in 1983, according to the statement of a responsible source in Amman.

On the other hand, the source explained further that Jordan's national income reached 1.72 billion dinars in 1983, compared to 230 million dinars in 1973. In other words, it increased sixfold during 10 years, but this increase was essentially due to Arab and international assistance, and the part played by production was extremely limited.

Arab assistance to Jordan became very important after the Arab-Israeli war of 1967 and after Israel's occupation of the West Bank of the Jordan River, which had been under Jordanian administration.

In 1978 the Baghdad Arab summit conference decided to allocate financial aid to Jordan in the amount of 1.2 billion dinars to be borne by the oil countries. However, the refusal of many of the Arab countries to pay their share led to Jordan's receiving about 935 million dollars from 1978 to 1983, that is, less than the allocated assistance by a third. [All figures as published]

On the other hand, the United States gave Jordan financial aid amounting to 94 million dinars between 1980 and 1983, and this aid has not been renewed since that time.

During the past 10 years, Jordan has obtained from various Arab and international financial institutions loans totaling about 290 million dinars. In addition to that, the savings of about 400,000 Jordanians living abroad rose from 14 million to 382 dinars [as published] between 1973 and 1983.

A responsible source explained that these funds were used specially to increase military capabilities and to strengthen the production sectors of the economy in order to form a balance between production and consumption in the country.

The source explained that it has been determined that development of the potash industry on the Red Sea will produce profits amounting to about 80 million dinars at the end of the current year, and it realized 11 million dinars in 1983, the first year of production.

This source added that it has been determined that the cement industry will realize a profit of about 40 million dinars at the end of 1984.

In the coming months Jordan hopes to discover quantities of oil sufficient to cover the country's internal consumption needs. It can be pointed out that the production of crude petroleum has presently risen to 400 barrels per day following the discovery last December of oil wells in the southeastern part of the kingdom.

12547

CSO: 4404/390

BRIDGE-CROSSING POLICIES ASSESSED

London AL-MAJALLAH No 212, 3-9 Mar 84 pp 35, 36

[Interview with Mr Shawkat Mahmud, the minister for occupied land affairs, by AL-MAJALLAH: "The Latest Measures Are Regulatory, Not Political"; date and place not specified]

[Text] The strict measures which the Jordanian Government recently took with the aim of limiting the emigration of the population of the West Bank of the Jordan River to the East Bank provoked complaints by many citizens for an easing of the measures pertaining to the bridges, which prompted some of the West Bank deputies to raise the issue in the Council of Deputies in a closed-door session which lasted many hours.

The Jordanian Government, represented by its prime minister Mr Ahmad 'Ubayidat, presented a complete report to the Council of Deputies about the measures regulating the crossing by citizens over the bridges between the two banks, and the reasons which led to the imposition of these measures.

The Jordanian Government gave assurances that the purpose of these measures was to combat the designs of the Israeli occupation aimed at ridding the land of its rightful inhabitants. Jordan, which sees no alternative to the imposition of these strict, protective measures, fully realizes that aiding the people of the West Bank to resist and stand firm in the land requires the implementation of an integrated national Arab policy to support the resistance of the people there.

The question of the bridges between Jordan and the West Bank is an old and new story out of which have come different theories and many endeavors since the war of 1967, which led to the occupation of the West Bank and the Gaza Strip.

The negative aspects surrounding the subject of opening or closing the bridges cannot be separated from the positive aspects; and some of the most important negative aspects are the emigration of people from the interior because of Israel's implementation of its plan aimed at ridding the bank of its population by means of terror and forced emigration; also Israel's sending Israeli goods out to Arab countries under the guise of West Bank exports while the amount of money poured into a region is absorbed by the Israeli economy; and giving Israelis the opportunity to completely control the economic, social and educational destinies of the people.



The Jordanian Government has always held the view embodied in its adoption of the open-bridge policy while being aware of its dangers and negative aspects, which it tries to reduce as much as possible by supporting the resistance of the people there.

Although it is difficult to know the numbers of those who leave the occupied territories every year for the East Bank or the Arab Gulf states, there are those who confirm that more than one-third of the West Bank population leaves the land every 15 years. The danger arises therefore that Israeli occupation authorities will be able to realize their dream of ridding the land of its original inhabitants. Every day the Israeli occupation authorities continue to terrorize and put pressure on the inhabitants of these regions to force them to leave the country. The Zionist oppression, the coercion and humiliation follow them even to the crossing points to and from the East Bank of the Jordan River.

#### Pros and Cons

AL-MAJALLAH met with Mr Shawkat Mahmud, the minister for occupied land affairs, and conducted the following interview with him on the matter:

[Question] Please give us some idea of the open-bridge policy, and what is the purpose behind keeping traffic moving on these bridges?

[Answer] The open bridges have their pros and cons, and we are constantly working to increase the pros and reduce the cons. In addition to that we consider them to be channels through which support for the people's resistance in the occupied land can be supplied, and also their surplus agricultural and industrial products can be marketed through them, and this is considered a basic part of supporting their resistance.

[Question] To what extent do the recent measures help in limiting evacuation of the land of its people, especially its youth?

[Answer] The Jordanian Government has always taken steps to regulate bridge crossings, however, the previous method did not give us complete statistics concerning the age groups and professions of those crossing, but the new measures provided us with clearer and more precise information.

Besides the regulatory statistical measures, these will effectively help to limit the emigration of the youth from the occupied land and help to keep them in their land, and the land and the people are the essence of the struggle surrounding the Palestinian question, which is considered the essence of the struggle in the region. Those who follow Israeli politics can see that all these policies have but one purpose, which is to seize the land and rid it of its Arab inhabitants.

[Question] With regard to leaving the occupied territory for the purpose of earning a living, is there increased support given to the people there enabling them to remain on the land?

[Answer] There are no restrictions on leaving the occupied territory for the purpose of earning a living, as long as those who leave return to the occupied territory.

[Question] In order to make the Jordanian Government's measures more acceptable, will it be necessary to look for new channels of support, such as are embodied in the establishment of development projects on the West Bank to provide opportunities for work in the occupied territory for everyone seeking them?

[Answer] Development projects and support for the educational, health, agricultural, industrial and social sectors are there, and support for them is continuous whether from the Jordanian Government or the joint Jordanian-Palestinian council; however, the amount of money available for aid is not enough to accomplish what we would like and we will do what we can to increase the support offered there.

[Question] When will the joint Jordanian-Palestinian delegation be formed, as announced by the prime minister, with the aim of traveling to the Arab states to explain the harsh reality under which the citizens suffer?

[Answer] The subject of support for citizens in the occupied territory will be discussed in the coming meetings of the Jordanian-Palestinian council. We may get to forming a joint delegation to visit the Arab states which provide aid to the support fund to continue and increase the support.

I have said that the meetings of the Jordanian-Palestinian council are the result of the lack of financial resources, but there is hope that it will resume its meetings during the coming week.

12547

CSO: 4404/390

## COMPLETE BY-ELECTION RESULTS REPORTED

Amman AL-RA'Y in Arabic 14 Mar 84 p 1, 13

[Article: "Complete Bi-election Results"]

[Text] At 12:30 pm yesterday, the tabulation committees in al-Balqa Governorate completed their work, and the results of the parliamentary elections in the governorate were posed. AL-RA'Y has published its fourth edition, which includes the complete election results, while the first three editions of AL-RA'Y contained the results of the other governorates.

## Complete Results

The following are the full details of the election results in all districts of the kingdom:

In Amman, Yahya al-Mawsili, the governor of the capital, declared Eng Layth Shubaylat the winner of the vacant seat in the capital at 5:30 am yesterday morning. He had gained 18,458 votes, while the number of ballots in the ballot boxes totaled 102,266, i.e., he had some 43.1 percent.

The final election results in the Amman Governorate are as follows:

Miflah al-Lawzi 4,292, Barjas Shahir al-Hadid 9,738, Faris Sulayman al-Nabulsi 9,332, Salamah 'Atallah al-Ghuwayri 5,778, 'Id Miflah al-Qatarnah 2,088, Ahmad 'Ali Karim al-Nahhar 3,331, Layth Farhan Shubaylat 18,458, Ma'mun Rashad 'Ala'-al-Din Tuqan 2,249, Numan Dhib al-Khalaf al-Ghuwayri 2,673, 'Adil Musa Muhammad Shaddad 120, Tayil Mithqal al-Fayiz 1,815, Mansur 'Abd-Rabbihi al-Kayid 1,022, Sulayman 'Abd-al-Rahman al-Rutaymah 4,955, Ahmad Muhammad Ahmad al-Namruti 1,270, Ghassan Sami Mahyar 851, Muhammad 'Ali Husayn al-Mu'ayi'ah 2,694, 'Ata Fadil Mustafa al-Shawan 2,009, Khalid Hamad Muslih al-Qanawi 1,574, Ahmad Isma'il Muhammad al-Basbus 1,014, Falah 'Awad Mukhaymar Abu Jamus 3,338, 'Ayish Raja' al-Huwayan 2,401, Yusuf Khalid 'Abd-al-Qadir Zaghlul 1,212, Marzuq Falah al-'Abid al-Barayisah 1,382, 'Awad Fali al-Malawi al-Sakr 299, Ahmad Samur 'Abd-al-'Aziz 796, Anwar 'Abd-al-Fattah Malhas 104, Fahim Mahmud Salim Muqbil 280, Hamad Salih al-'Abdallah 6,338, Muhammad Ibrahim al-Rashid al-Hunayti 4,278, 'Abd-al-Karim Khalil Muslih Shamlakh 84, Muhammad Raja' Mahmud al-Shumali 339, Dr Fawwaz Salim Abu-al-Ghanam 4,322, Ahmad Muhammad 'Ali al-Duwayri 714, Shahir 'Abd-al-Fayyad al-'Asaf 259, Ahmad Yusuf Ibrahim al-Hayari 98, Hani Salim Khayr 759.

## Al-Balqa' Governorate

Muhammad al-Khatib, the governor of al-Balqa', told AL-RA'Y that the winners in al-Balqa' were:

Marwan 'Abd-al-Halim al-Nimr al-Hamud with 10,692 votes, Zuhayr Dhuqan al-Husayn with 7,664 votes, and Dr Fawzi Shakir al-Tu'aymah al-Dawud with 7,694 votes.

He said that he had sent an official report to Sulayman 'Arar, the deputy prime minister and minister of interior, on behalf of the Central Election Committee in al-Balqa' Governorate, which contained the full details of the balloting process and the number of votes garnered by each candidate.

He added that the total of those voting in the bi-elections was 48,817 out of a total of 93,738 registered voters, i.e., 52 percent of the total registered voters. Of this amount, 29,597 were males and 19,220 females.

He said that the voting process took 14 consecutive hours, in which 20 committees participated, each of them having 7 members.

Governor al-Khatib praised the excellent spirit demonstrated by the citizenry during and after the balloting process. This had its share in providing a suitable and clean democratic and neutral climate, which facilitated the work of the special committees in tabulating the votes.

Governor al-Khatib stated that no incidents occurred during the balloting periods or the process of tabulating the votes in any part of the governorate.

The following is the complete results for all the candidates in al-Balqa' Governorate. There were some 27 candidates. Marwan al-Hamud 10,692, 'Aqqab Abu Raman 2,602, Muhammad Raja al-Mas'ud 2,495, Muhammad Amin al-Kilani 5,228, Muhammad 'Abd-al-Razzaq al-Da'ud 4,181, Jamal Abu Baqr 6,861, Kamil al-'Abdilal 3,558, Husayn Abu Raman 600, 'Abd al-Karim al-Fa'ur 4,880, Ibrahim al-'Awamirah 621, Dr Fahd al-'Azb 4,656, Sa'ud al-Kharashabah 6,268, Zuhayr Dhuqan al-Husayn 7,664, Hamadan Salim al-Zu'bi 786, 'Akif al-'Adwan 7,256, Fayiz al-Hamadan 2,826, Khalid Musa al-'Awdat 750, Kazim Muhammad 'Awad 185, Raja'i al-Ma'shar 7,310, Farid al-'Akrush 1,482, Bashir Dababnah 1,064, Jawdat al-'Akrush 292, Hana Ibrahim Hatr 501, Ghalib Abu Jabir 1,286, Jamal al-Sha'ir 6,520, Salim al-Nahhas 3,080, Fawzi Shakir Tu'aymah 7,694.

## Irbid Governorate

Turki al-Hindawi, the governor of Irbid, declared Dr Ahmad al-Kufahi the winner of the vacant seat in the Chamber of Deputies from Irbid, since he received 23,328 votes, which was the highest vote total.

The results of the remaining candidates were as follows: Dr Qasim 'Ubaydat 12,641, Muhammad al-Bashir al-Ghazawi 6,443, Mahmud al-Sa'di 1,330, Nabil al-Dalqamuni 1,890, Ibrahim al-'Azzam 4,841, Anwar al-Shabul 2,997, Shabib al-'Awdat 2,668, Mustafa Bani Mulhim 25, Ibrahim al-Fa'uri 175, Nimr al-Zanati 2,336, 'Abd-al-Halim Sammarah 9,351, Ahmad al-Mukahhil 1,134, Dr Walid Khazir 1,632, Talal al-'Umri 3,512, Khalil al-Subayhi 194, Rashid Tuwalabah 787, Hasan al-Saqur 809, 'Abd-al-Qadir Mulhim 347.

## Al-Karak Governorate

The governor of al-Karak, Ahmad al-Qar'an announced that Dr Riyadh al-Nuwayisah and Nazih 'Amarin had won the two vacant seats for al-Karak, since the former had received 3,934 votes and the latter 9,961 votes. The complete results for the remaining candidates were as follows:

Hamad al-Mu'ayitah 2,274, 'Abd-al-Majid al-Dhanibat 3,569, Yahya Khurays 2,985, Khalil Du'aysan 3,665, Taha al-Shamayilah 1,056, Mahmud al-Mu'ayitah 2,651, 'Abdallah al-Damur 3,830, Khalid Ibn Tarif 1,184 Muhammad al-Batush 1,829, Mamduh al-Sarayirah 2,738, 'Isa al-Qasus 7,355, Ghanim al-Zurayqat 3,411, Hani Hijazin 2,790, Nayif Musaruh 2,936.

Muhammad al-Talhuni, the district officer of al-Tafilah District, at 0300 yesterday, declared Dr 'Abdallah al-'Akayilah the winner of the vacant parliamentary seat for al-Tafilah in the East Bank bi-elections. He received 5,235 votes, while his competition 'Ali al-Qatatashah received 2,949 votes and Muhammad al-Murafi received 1,296 votes.

7005

CSO: 4404/392

## REGIONAL POULTRY CENTER TO BE ESTABLISHED

Amman AL-RA'Y in Arabic 16 Mar 84 p 2

[Article: "A \$3 Million Agreement to Establish a Regional Center for Poultry Development in the Middle East"]

[Text] The Ministry of Agriculture and the World Food and Agricultural Organization yesterday signed an agreement to establish a regional center for training and poultry development for the Near East in Amman, at a cost of \$3 million.

The agreement requires the establishment of the center, which will be funded by the Italian Government within a World Food and Agricultural Organization program, for an initial period of 4 years.

The agreement stipulates consolidating cooperation and establishing training courses in different fields of the poultry industry, combatting the diseases that afflict poultry, and marketing, in addition to conducting surveys and studies for the purpose of defining the problems of this industry in the region and advising the participating governments with respect to modern ways of overcoming these problems.

It also stipulates the establishment of a laboratory to supervise tests of various poultry feeds and to give farmers guidance on ways to prepare these feeds, as well as to study poultry houses, nutrition, management, diseases and marketing, in addition to organizing and developing the process of selecting various breeds of poultry for the region.

The agreement also stipulates the production of necessary guidance materials and the organization of activities through various institutes in the participating countries.

As for the agreement's long-range plan, it aims at assisting those countries participating in the program to increase production of poultry meat and table eggs, and to work toward increasing the income of rural people.

The agreement was signed by Muhammad Bashir, the minister of agriculture and 'Adnan Ra'uf, the UN resident representative in Amman, in the presence of Agricultural Engineer Muwaffiq al-Sa'udi, the acting undersecretary of the Ministry of Agriculture, Dr 'Abd-al-Ghani al-Nahhar, the director of animal health and production, and Dr Talal Nassar, the director of the Institute of Animal Health.



## BRIEFS

INVESTMENT ZONES--A special Jordanian ministerial committee has recommended dividing Jordan into three investment zones. This committee was formed to work on applying a law to encourage new investments. In accordance with the ministerial committee's report, zone "A" is the most developed, prosperous and densely populated area of Jordan. Development projects in this area will enjoy tax exemptions of 100 percent for 5 years and 60 percent for 2 years. Zone "B" is an area of average development. It will enjoy full tax exemption for 8 years and 60 percent for 2 years. Zone "C" is the least developed area, and will be completely tax exempt for 12 years. [Text] [London AL-TADAMUN in Arabic No 50, 24 Mar 84 p 59] 7005

HOUSING LOANS--Meetings of the semi-annual Conference of Housing Bank Branch Directors, chaired by Zuhayar al-Khuri, chairman of the Board of Directors of the bank and its director general, have concluded in Amman. In the final report of the meetings, it was reported that during the period between 1974 and 1984, the bank granted housing loans totalling 245.6 million dinars, for the construction of 51,341 housing units. During this period, 66 bank branches were opened. The bank also granted the Jordanian Housing Organization easy loans which, up to the end of 1984 [sic] totalled 57.6 million dinars. Up to the end of this year, 1983, the bank's total deposits amounted to 211.9 million dinars. The number of citizens who do business with the bank totalled 300,000, who constitute some 12 percent of Jordan's population. [Text] [London AL-TADAMUN in Arabic No 50, 24 Mar 84 p 59] 7005

SEWER CONTRACTS--The Water Authority, along with seven Jordanian firms, signed contracts yesterday to implement approximately 240 kms of sewer networks to serve the suburban districts of Western and Northern Amman and the low-cost housing districts, at a cost of about 5 million dinars. It is expected that work will be completed before the end of this year. The contracts were signed on behalf of the Authority by its chairman, Engineer Muhammad Salih al-Kilani, and on behalf of the seven companies by their director generals. Attending the ceremony were the chiefs of the Jordanian engineers and contractors' unions Ibrahim Abu 'Ayyash and Da'ud Sulayman. Engineer al-Kilani said that the Water Authority, during the next 2 months, would invite other bids from sewer companies within Amman and its suburbs. The authority has been encouraging Jordanian contracting companies, within the framework of its policy aimed at supporting Jordanian contractors. [Text] [Amman AL-RA'Y in Arabic 16 Mar 84 p 2] 7005

INDUSTRIAL LOANS--The Board of Directors of the Industrial Development Bank has approved the granting of seven industrial loans, worth 575,000 dinars, including four loans valued at 205,000 dinars to finance new projects to produce materials which prevent leaks and humidity and the plating of aluminum sections and other metals, a restaurant in the industrial city of Sahhab, with a capacity of 400 persons, and a tourist resthouse on the al-Mafraq road. There is another project, valued at 100,000 dinars, to finance the expansion of an existing factory that produces cement and marble tiles, and two loans totaling 260,000 dinars to finance the purchase of raw materials for plants producing aluminum sections and bottled mineral water in plastic containers. Bank sources said that the additional amount to the national income, which these projects will earn during the first year of the production, will amount to approximately 433,540 dinars, as well as providing about 75 new jobs. It is worthy of note that the number of loans, granted by the bank since the beginning of this year, amounts to 14 totaling some 1,119,500 dinars, including eight loans worth 356,500 dinars to finance fixed assets, and six loans valued at 763,000 dinars to buy raw materials required for industry. On the other hand, the bank's Board of Directors approved increasing the bank's share of the capitalization of the Jordanian Company for the manufacture and production of lumber, by 150,000 shares, with a face value of 1 dinar per share. [Text] [Amman AL-RA'Y in Arabic 19 Mar 84 p 2] 7005

OIL EXPLORATION--The team responsible for oil drilling operations in Jordan have obtained reasonable results from the Qarma well in the Al-Azraq area. It is expected that the final test will be conducted today on the Wadi Rajil nr 8 well in the same area. It was learned that the semi-final results of the drilling operations will be announced soon, and that they indicate that oil has begun to seep naturally to the surface of the ground. Quantities exceed 600 barrels and might reach 1,000 barrels a day from the Qarma well, in addition to other amounts from several wells that will be dug in the same location. After it was clear that the area forms what is recognized as an "oil basin," it was decided to drill wells in this basin. Care is being taken to assure a distance of not less than 1,700 meters between one well and another, in order to prevent any interference among the wells that might affect the productivity of some at the expense of others. It was learned that the oil basin area, and the wells that will be drilled there, show great promise in terms of anticipated oil production and high economic feasibility. AL-RA'Y published on 1 January of this year important details about the flow of oil in Jordan, with productivity estimated at that time at 400 barrels per day from the Qarma well. AL-RA'Y pointed out at the time that further results would appear, with the continuation of drilling operations, which have now reached the lower strata of the wells that are contained within the oil basin. [Text] [Amman AL-RA'Y in Arabic 28 Feb 84 p 1] 7005

CSO: 4404/392

SUGGESTIONS FOR DEALING WITH ECONOMIC SLOWDOWN

Riyadh AL-RIYAD in Arabic 1 Mar 84 p 17

[Article: "Kuwait Chamber of Commerce Calls for Gulf Economic Cooperation Through Common Institutions with Clear-Cut Authority"]

[Text] The Kuwait Chamber of Commerce has appealed to the six member countries of the Gulf Cooperation Council [GCC] to speed up economic integration among these countries on a sound basis in order to emerge from the crisis caused by the economic slowdown which the economies of these countries are experiencing. The Chamber also sought the elimination of most current difficulties and obstacles.

This appeal was submitted recently in a report by the Kuwait Chamber of Commerce and Manufacturing to top officials in Kuwait and included a thorough study of the current sluggishness in the Kuwaiti economy, suggestions to end the slowdown and ways to spur economic activity in the coming phase.

The report said that the coming phase in development of the GCC countries must take place under the auspices of Gulf cooperation which goes beyond general agreements to become true cooperation guided by joint institutions with clear-cut managerial, decision-making and executive authority.

The report stressed that the Arab countries on the Gulf are beginning to create more of an open-door atmosphere toward their sister Arab countries, allowing for greater economic cooperation between the two groups.

The report pointed out that an atmosphere and cooperation such as these do not arise only out of nationalist sentiment and the imperative of joint destiny, but are also necessitated by shared substantive economic interests. The report said that the Arab world is not only the best place for Gulf investment, but is also the natural market for manufactured goods from the Gulf.

In the report the Chamber of Commerce described the current economic situation in Kuwait, saying that from the second half of 1982 until the present, the Kuwaiti economy has been suffering from a relative recession which has caused a slacking off in the growth rate of certain sectors and a regression in the rates achieved in others.

The report gave a number of indications that the economy of Kuwait is indeed sluggish:

1. The growth rate of public expenditures (the primary incentive for economic activity in Kuwait) dropped from 30 percent in 1979/80, 20 percent in 1980/81 and 44 percent in 1981/82 to almost zero in 1982/83 and 1983/84. This drop was primarily the result of the drop in oil revenues from 5.94 million dinars in 1979/80 to about 2.8 million dinars in 1983/84, a decrease of approximately 53 percent.

2. A drop in the cash liquidity growth rate from 25 percent at the end of 1980 and 36 percent at the end of 1981 to 8 percent at the end of 1982 and only 4 percent at the end of 1983.

3. For the first time since the beginning of the 1970's, total credit facilities of commercial banks registered a decrease. In December 1983 this total showed a decrease of 1.3 percent from the total in December 1982, after having achieved a rapid rate of growth during the 4 years from 1979 to 1982--39 percent, 26 percent, 31 percent and 22 percent, respectively.

4. After the trade sector achieved a steady rate of growth from 1978 to 1982, the situation clearly reversed itself, as seen in a decline in the volume of domestic wholesale and retail trade as a result of lessening domestic demand for goods and services and a drop in exports and transit trade.

5. In Kuwait's balance of payments for 1982, travel funds dropped from 126 million dinars in 1981 to 57 million in 1982, a drop of 55 percent.

6. The public construction sector has enjoyed continued activity because of increased authorizations in the 1983/84 budget--14 percent over the previous fiscal year. However, the private construction sector growth rate showed a decline in 1983, as indicated by a decrease of more than 30 percent in the number of new building permits issued to this sector and a decrease in credit facilities provided the sector by commercial national banks to 664 million dinars. Credit facilities had risen from 332 million dinars in 1979 to 673 million in 1982, an annual growth rate of more than 25 percent.

7. Real estate activity in 1983 was marked by sluggishness, with real estate circulation falling off. Commercial real estate receipts were down by approximately 30 percent, while private housing receipts were down by 25 percent. Although housing investment receipts remained the same, the volume of transactions fell markedly. Credit facilities to the real estate sector by commercial banks increased 11.5 percent in 1983, as compared to a 65 percent increase in 1982.

8. A field study done by the Central Statistics Bureau on vacant apartments in development areas during February 1984 has shown that there are 8,332 such apartments, 6,424 of which have central air conditioning and 1,908 of which have regular air conditioning. A considerable number of those apartments with central air have three or more luxury bedrooms.

9. The volume of credit facilities dropped from its 1982 level, and the cash liquidity growth rate fell. The rate of increase of total united assets of commercial banks dropped, as did the growth rate of total deposits, which fell to 3.6 percent, as compared to 11.6 percent in 1982, 36 percent in 1981 and 25 percent in 1980. This decline resulted primarily from a drop in the percentage of growth of private sector deposits.

In its report, the Chamber of Commerce explained that four main factors had combined to affect the Kuwaiti economy negatively and cause the current stagnation:

1. The decreased demand for crude oil in the world market, along with increased supply, a drop in prices and an increase in the share of oil owned by non-OPEC countries, as well as competing interests of the member countries of OPEC.
2. The explosive situation in the Arab world in general, and the Iraqi-Iranian war in particular, plus the results of the Israeli invasion of Lebanon, which created a deteriorating situation throughout the region and a pervasive lack of confidence unsuitable for investment or economic expansion.
3. The crisis in the securities and deferred payment checks market and its far-reaching implications, both economic and social, which have increased lack of confidence and fear about the future.
4. The rectifying of oil prices in late 1973 was followed by a tremendous economic burst which included all activities and sectors. It was obvious that the momentum of this burst would slow and that its drastic growth would slack off gradually, with growth rates returning to a reasonable level.

The Kuwait Chamber of Commerce and Industry made a number of proposals aimed at channeling public expenditures toward local producing sectors, ending the current recession, spurring economic activity toward a stage of balanced growth and long-range planning in light of new circumstances, lessening the difficulties and obstacles faced by various economic activities and increasing the suitability and execution of these activities.

These proposals dealt with several economic spheres:

#### A. Construction and Building

The Chamber of Commerce suggests that public projects be awarded to Kuwaiti contractors whenever possible, as long as the price difference is reasonable and on the condition that the Kuwaiti contractor is not merely a middle-man. In addition, the local contractor must be given a reasonable role or sufficient share of the work as a subcontractor, with no less than 40 percent of the value of the total contract in cases of larger contracts awarded to foreign contractors.

## B. Convertible Industries

The report emphasized that the importance of developing policies and measures to give the greatest support possible to industry has become pressing and inescapable in order to broaden and diversify the production base.

The report said that in order to do so, the following policies must be adopted:

### 1. Protection:

The Chamber of Commerce called for protection of nascent industry to enable it to stand on its own feet, on solid ground, by compensation for the expense of the heavy burdens borne by growing industry and by insuring it against well-developed foreign competition.

The Chamber of Commerce asked that protection be given for 5 years, extendable or renewable for a comparable period, with the percentage set according to the circumstances of each industry, but no less than 30 percent during the first 5 years and subject to a gradual reduction after that.

### 2. Encouraging Domestic Consumption:

This can be done through a number of different approaches, including not allowing unlicensed producers to enter into bidding on government contracts and having all contracts concluded by government agencies include the stipulation that all materials and goods necessary to implement the contract purchased by companies with whom contracts are concluded, be they local or foreign, must be locally produced goods included on the lists authorized by the Ministry of Commerce and Industry, provided that these goods cost no more than 25 percent over the price of comparable imported goods.

### 3. Encouraging exports:

The Chamber of Commerce suggests that a financial organization or institution be created to finance exports of national products, provide the necessary credit facilities and guarantee exporters' rights vis-a-vis importers.

Such an institution would also conduct the necessary studies and surveys of foreign markets and the problems of marketing Kuwaiti products as well as helping to pay the costs of publicizing Kuwaiti industry and promoting its products abroad.

In this regard, the Chamber of Commerce suggests that the task of financing and backing their exported manufactured goods be entrusted to the Kuwait Industrial Bank.

The Chamber of Commerce also asks that financial assistance given by Kuwait to other countries include the stipulation that a certain percentage of the assistance be used to purchase Kuwaiti products so that this assistance can be used as a tool to spur domestic production in Kuwait.



### C. Trade and Transport

The Chamber of Commerce pointed out that Kuwait's regaining its trade position in the future depends to a large degree on creating a completely organized and equipped free zone in the country.

They said that such a project is not a new one, but goes back to 1961.

They stressed that setting up a free zone is an inevitable, unique project since it would restore the role of the re-export and transit trade by removing complications and delays in procedures and reducing costs, in addition to making it possible to establish manufacturing and assembly industries.

The Chamber of Commerce criticized the regulations and procedures drawn up by the General Organization for Ports pertaining to sea transport and transit trade, saying that they have imposed severe restrictions in these two fields, especially where the permissible ratios for off-loading are concerned.

The Chamber of Commerce suggested that an official committee be formed composed of representatives from the General Organization for Ports, the Customs Administration, the Chamber of Commerce and the Federation of Shipping Company Agents to conduct a comparative study of the matter in its entirety and make specific suggestions.

They also asked for a review of legislation governing discounts and trade fairs, since it has been proven through practical experience that this legislation has been a major source of the restrictions which are one of the reasons for the existence of unregulated markets.

The Chamber of Commerce also stressed that the land transport sector is currently enduring a suffocating crisis due to a drop in the volume of goods transported to neighboring countries, whether goods of Kuwaiti origin, re-exported goods or export goods.

The Chamber of Commerce suggested that in order to alleviate this crisis, transport licensing should be reorganized to correspond with the volume of business and the state of the market. Kuwaiti transport companies should be classified according to the size of their fleets and experience, and a vehicle with a private transport license should not be permitted to transport goods within Kuwait or abroad because those parties who do not transport Kuwaiti products and non-Kuwaiti trucking companies should not be treated like Kuwaiti vehicles and not be allowed to enter the country empty in order to transport goods out.

9882

CSO: 4404/361

OFFICIAL DISCUSSES ASPECTS OF FOOD SECURITY PLAN

Kuwait AL-SIYASAH in Arabic 17 Mar 84 p 8

[Interview with Shaykh Ibrahim Du'ayj al-Sabah, director general of the General Agency for Agricultural Affairs and Fish Resources, by Sami al-Haddad in Kuwait: General Outline of Agricultural Plan Beginning in 85-86 Season and Extending to Year 2000 Will Be Announced Soon; Dairy, Fodder and Marketing Companies Will Be Established With the Possible Participation of Similar Local Companies; Problems of Poultry Sector Under Study"; date not specified]

[Text] In the shade of Kuwait's environmental and natural conditions, the general observation that must be taken into consideration is that these conditions are unsuited for conventional agricultural production. The climate, soil, scarcity of water and high cost of labor all combine to render the conventional agricultural process uneconomical. Nevertheless, certain special considerations in Kuwait and the Arab Gulf countries necessitate paying attention to this issue. On the local level, there is a need to achieve a minimum level of food security while on the international level there is the population explosion which has prompted increased demand for foodstuffs and higher prices, on the one hand, and the scientific developments in the fields of water desalination technology, better irrigation techniques and greenhouse farming.

The question we raise here is: How can Kuwait move quickly on the road to achieving food security under those special considerations? It is one of the countries that is greatly affected by international food conditions and the consequences of fluctuating production levels, higher prices and the use of food, in many cases, as a tool of economic and political pressure.

It may be said--notwithstanding the modest agricultural sector's contribution of no more than 1 percent of the total gross product of non-oil sectors--that attention is being focused on this vital sector which is being developed and revitalized as a means of diminishing the country's dependence on imported foodstuffs.

The establishment of the General Agency for Agricultural Affairs and Fish Resources [CAAAFR] was a pioneering step on this road in the government's

purely routine work. Agriculture has taken great bounds through the agency's announcements concerning organizational and subsidy decisions in less than 1 year. Farmers have received material subsidies for production and hot houses, and many other things are underway in the fish and animal resources sector which represent a true revolution that will realize the government's true aspirations for the highest level of self-sufficiency in light of available environmental data.

#### More Attention to Consumer

In an interview with Shaykh Ibrahim Du'ayj al-Sabah, director general of the General Agency for Agricultural Affairs and Fish Resources, Shaykh Ibrahim told AL-SIYASAH: "At the same time that we are working to subsidize the agricultural production sector so as to give it impetus and guarantee its continuity in order to realize the government's aspirations toward it, we are also looking with the same concern at the consumer." He went on to say, "We are concerned with providing basic commodities at reasonable prices."

[Question] Can it be said that the agency has a complete picture of the country's agricultural situation?

[Answer] It can be said that we have something now with regard to the agricultural production section; we have a picture. We begin with the determination to subsidize on specific bases that were discussed at length with the farmers and also with agricultural specialists. We are also studying the other production sectors, including animal resources, with a view to forming a more comprehensive picture of this sector and coming up with ways and means to promote and develop it. But, we have not yet reached a conclusive decision in this regard.

[Question] The Ministry of Planning announced in the past an agricultural plan for the period 81/82-85/86 which was prepared and submitted to competent authorities for discussion in preparation for the issuance of the plans' document in its final form. How far have these aspirations come?

[Answer] On the basis of our tours of various agricultural sectors, we are very eager to formulate an integrated agricultural plan. This is what we are actually studying and we hope to draw up the plan's outlines so it can be put into effect in the 85/86 agricultural season. We do not want to be hasty, and all studies in this regard must be completed first."

About the plan that the GAAAFR intends to announce in the near future, Shaykh Ibrahim Du'ayj al-Sabah said: "The plan is a general outline of agriculture in Kuwait extending to the year 2000. It is divided into 5-year plans which will be used as a basis for status reports.

#### What Has Been Done so Far?

"We have now laid down our visions and requirements for this plan. What is holding back its implementation are the administrative and organizational

measures related to increasing efficiency within the agency. But I can say that such obstacles will not dissuade us from doing our job; rather, they are an incentive. We hope to complete our study, with the cooperation of the side we will select to take part in it, between 1985 and 1986." Shaykh al-Sabah expressed his thanks to the [Kuwaiti] development fund [KFAED] for its technical advice and to some agriculture officials.

#### Agricultural Projects Company

About the role that the Agricultural Projects Company can play in realizing the declared goals of the GAAAFR, Shaykh Ibrahim Du'ayj said, "The new company is the main tool of the agency. It is now studying, with competent authorities, several vital projects that will, upon completion, contribute to the satisfaction of a large part of local demands. There is the dairy production project which aims to raise local production of fresh milk from 13.5 percent, as a first stage, to 20-25 percent."

Regarding the purpose of establishing the mother company, the agency's director general said: "This company has been created to implement basic food-security projects, which individuals fear to do, or production projects with slow returns. In other words, it can be said that it has been created to get over the hurdle since it is a government company concerned with the production and availability of food."

About the other projects the company is now taking upon itself, he said: "There is a large fodder project and the company is now studying the matter of marketing farm production as of next year so as to relieve farmers of this great burden."

[Question] When will work begin on these projects?

[Answer] These projects are almost ready now and special companies will be set up shortly for these sectors. The mother company will take part in setting them up.

#### Role of Similar Companies

About production companies with activities similar to those of the new companies which are to be set up through the agricultural projects company, he said: "The agency is in contact with these companies with a view to studying the possibility of their participation in the new companies which aim at developing work within this sector."

#### Gulf Study of Cost of Services

Regarding the obstacles faced by companies and special production farms due to the high cost of services compared to their counterparts in the rest of the [Gulf] Cooperation Council [GCC] and other countries, Shaykh Ibrahim said: The general secretariat of GCC countries is preparing a comprehensive study

of utility prices such as electricity, water, etc. A study of the prices of subsidized commodities, both foodstuffs and non-foodstuffs, is also underway at the request of the council's ministers of finance. I believe that prices of various utilities and subsidized commodities must be brought closer together in these various countries."

[Question] When will the study be completed?

[Answer] Within 2 or 3 months when it will be presented to the competent authorities.

#### The Poultry Sector

About the problems of the poultry sector, which is facing stiff competition from Saudi production which has been flooding the market for over a month now, he said: "The agency has actually embarked upon a study of the animal resources sector and has in fact begun to study the poultry sector as a start. We are aware of the problems facing this sector and these problems are under study."

#### Agricultural Marketing

[Question] You mentioned a company for marketing local vegetable production. What are the main features of this company?

[Answer] We know that there are problems facing the marketing process of such production. We at the agency are studying appropriate solutions to these problems in the hope that marketing activity will begin in a guaranteed and modern way, starting with the coming season. The establishment of a marketing apparatus will no doubt lead to lower production costs for farmers, who will be able to save the cost of transportation to the market place. This apparatus will be responsible for buying the production on site at appropriate prices, thus allowing farmers to devote their full time to production."

Regarding the phenomenon of local farms all producing tomatoes within the same time frame--which brings about stiff competition from imported tomatoes--the agency's director general said: "We will reach an understanding through the new marketing apparatus about the varieties that must be planted and the required amount of each variety."

[Question] Local vegetable prices are very high due to higher costs and face stiff competition from similar imported products. What is your opinion?

[Answer] There is a notion to subsidize local production so that it may be sold to the consumer at appropriate prices. Accordingly, the present farmer subsidy will be reviewed as soon as the new marketing system goes into effect to come up with a new subsidy that will provide better prices for consumers.

#### Ban on Selling Fish of Certain Sizes

[Question] The minister of public works, in his capacity as GAAAFR chairman, issued a decision banning the sale of fish of certain sizes and varieties.



But the controversial observation is that this decision is hard to implement for many technical reasons because it is hard to measure the fish. What is your opinion?

[Answer] This decision came as a result of an exhaustive study by Russian advisors, who came here for this purpose, and agricultural specialists with the full cooperation of the Kuwaiti Scientific Research Institute. The study concluded that the allowable size is when the fish is believed to have reached maturity, while smaller fish that have not reached maturity may not be fished. There is no doubt that these bans are indirect measures and, therefore, we hope that there will be full cooperation between the consumer protection agency and municipal officials with a view to preserving, protection and developing this dwindling resource.

#### Fodder Problems

About the fodder problem which often surfaces as a result of direct dependence on imports, Shaykh Ibrahim Du'ayj said: "We have called upon all competent authorities to study the possibility of making fodder available locally. We have in fact received some positive responses and we are in the process of calling for a meeting soon to form a company for the cultivation and production of fodder. It would be responsible for growing green fodder and providing dry fodder, and combining the two in a way that would guarantee a suitable stock of both kinds.

#### Observations on Agricultural Fair

[Question] What are your most important observations about the current agricultural fair which you created recently?

[Answer] I am happy about the large number of institutions that participated in setting up this fair and I thank the Kuwait Marketing Company for its great effort. During my tour of the fair, I noticed a remarkable growth in the production process. There was a display of sophisticated equipment and techniques for greenhouse farming, which has achieved great progress in production after receiving appropriate subsidies. We hope that more farmers will convert to this type of farming which can produce all year round and requires little water and labor. It is the farming of the future.

#### Gulf Agricultural Activity

Regarding the GCC countries' aspirations for realizing food security through special joint projects, the agency's director general said: "Undoubtedly there are studies for common projects of interest to council countries. There is a study for setting up farms to produce breeds of chicken that are expected to be offered to producers soon, and another project for regulating the import and storage of veterinary medicines. As for vaccines and sera, there are special centers in some council countries and there is a tendency now to develop these products and regulate their distribution to countries that desire them through central laboratories that will run the necessary testing. Our greater aspiration is to enter into joint production projects to serve GCC objectives.



PRIME MINISTER DISCUSSES ARAB SECURITY, ARAB ISSUES

London AL-TADAMUN in Arabic No 51, 31 Mar 84 pp 9-11

[Interview with al-Shaykh Sa'd al-'Abdallah, crown prince and prime minister of Kuwait by Fu'ad Matar: "Arab Security Is in the Hands of Arabs; Arab Differences Will Doom the Arabs;" in Kuwait]

[Text] Whenever I met with al-Shaykh Sa'd al-'Abdallah, the crown prince of Kuwait in the past few years, I would feel that to him the stability of conditions in the Gulf area was a matter for real concern. I became convinced that al-Shaykh Sa'd's concern was justified after the recent explosions that took place in Kuwait and after portents of danger in the area grew as a result of the fact that the Iraq-Iran war was entering its fourth year.

When al-Shaykh Sa'd received me in his office last week for the first interview with AL-TADAMUN Magazine--the many previous interviews I had conducted with him were published before we established AL-TADAMUN Magazine in London about 1 year ago--I found myself looking out the window of his office in the prime minister's building overlooking the waters of the Gulf and wondering "Will this beautiful body of water continue to be as it is, a peaceful body of water or, in light of what is happening in the area, will there come a time when the fleets of foreign countries will crowd this body of water?"

The prime minister replied, "This body of water and the remaining bodies of water in the area will remain calm, undisturbed by the fleets of foreign countries only if Arab officials appreciate the gravity of the situation, if they have a sense of their enormous responsibilities and if they consult each other and end their disputes. Otherwise, the danger of these waters teeming with fleets, destroyers and airplane carriers will remain imminent."

Al-Shaykh Sa'd added, "Every official understands that. Nevertheless, the disputes continue. These disputes appear to be inviting those fleets to come and disturb the peace of our waters and upset our stability."

In this interview al-Shaykh Sa'd discussed domestic and foreign matters in a far-sighted, simplified manner, and he talked about the dangers that are threatening the Gulf area as a result of the ongoing Iraq-Iran war.

AL-TADAMUN's questions and al-Shaykh Sa'd's answers to those questions follow:

## The War, Hormuz and the Dangers

[Question] The Arab world in general and the Gulf area in particular are experiencing extremely critical conditions. What possible developments do you foresee for these conditions? Are you worried about possible developments, and what preparations have you made to confront these possible dangers?

[Answer] These conditions that you are referring to are the product of the Iraq-Iran war which is still escalating dangerously since it began in September 1980.

International, regional and Islamic meetings were held in past months, and resolutions and recommendations were made at those meetings calling upon the two warring parties to achieve a formula for a cease-fire and to solve the problems that exist between them through negotiations and understanding. Fraternal Iraq complied with what the forementioned conferences called for. Iraq declared that it was willing to adopt and implement the recommendations and resolutions that pertain to a cease-fire. Iraq indicated it was willing to negotiate with Iran for the purpose of providing stability for both countries and for the area in general. Iraq declared it was willing to enter into an agreement whereby each country would not interfere in the affairs of the other.

At the last meeting that was held by Arab ministers of foreign affairs, the ministers appealed to Iranian officials to agree to a cease-fire and achieve a formula by means of which an understanding with Iraq can be reached. I am still hoping that Iran will respond to that request that was made by Arab ministers of foreign affairs. The ministers are asking Iran to understand that the continuation and dangerous escalation of the war will make it possible for more than one country to interfere in the affairs of this vital area of the world. As [officials of] the countries of this area, we neither want nor accept any country using excuses to interfere in the affairs of the area either now or in the distant future.

[Question] Do you take Iran's threat to block the Straits of Hormuz seriously?

[Answer] We do not believe this threat will be carried out, nor do we wish that any attempt be made to carry out the threats that have been attributed to some circles in Iran. Blocking this vital artery would seriously hurt all the countries of the area, including Iran. It could also seriously hurt all the countries of the world. Besides, such an action would constitute a serious violation of the freedom of international navigation.

[Question] In your opinion, Your Highness, what will be the position of Arab countries if the sovereignty of Iraq is threatened?

[Answer] Let me repeat here what I've already referred to about the appeal that Arab ministers of foreign affairs recently made to Iran to effect a cease-fire. I would like to add to that a heart-felt wish: I wish that Iran would appreciate the sensitivity of the situation and comply with what Arab countries have asked it to do.

At the same time, we and others in the area are watching the developments of the Iraq-Iran war. If the sovereignty of fraternal Iraq becomes directly threatened, such a grave development will undoubtedly be the subject of investigation and deliberation on the highest levels in Arab and international circles. In the Arab

world in particular, there is a mutual defense agreement, and there are resolutions that were made at the summit conference. Arab countries are bound by these resolutions.

#### The Following Step for Bringing Egypt Back into Arab League

[Question] Will you do anything to help reinstate Egypt as a member of the Arab League now that it has been reinstated as a member of the Islamic Conference Organization?

[Answer] We are very appreciative of the positions of the Egyptian people and of Egypt's active role in political, military and economic areas. Now that Egypt has been reinstated as a member of the Islamic Conference Organization in accordance with the resolution that was made in that regard at the Islamic Summit Conference in Casablanca, the normal forum where this matter can be considered is the next Arab summit conference.

#### The U.S. Presidential Elections

[Question] The presidential election campaign in the United States has begun. Would you prefer if President Ronald Reagan were re-elected or would you rather see another candidate elected president? What are the qualities you want to see in the U.S. presidential candidate?

[Answer] Who is or who becomes the president of the United States is something for the American people to decide, even though it is a matter that is of interest to the whole world. We as Arabs are interested in our just national causes, foremost among which is the Palestinian cause, and we are always hoping that these causes would get the appropriate attention they deserve from the American president. We hope that this attention is consistent with the principles of truth and justice and with common U.S.-Arab interests. We do not want the United States to take the side of the aggressor who has refused and is still refusing to implement Security Council resolutions and who has revealed his expansionist intentions and ambitions. I am referring to Israel.

#### Kuwaiti-Palestinian Relations

[Question] To follow up on the previous question, I would like to ask Your Highness about the nature of current Kuwaiti-Palestinian relations. Are they good?

[Answer] Kuwait's relations with our Palestinian brothers have been and will continue to be strong. These relations are based on mutual respect and non-intervention in domestic Palestinian affairs. We consider the PLO the only legitimate representative of the Palestinian people.

#### Post-War Aid to Lebanon and Iraq

[Question] Will you help in the reconstruction of Lebanon if the war there ends? Will you do the same in Iraq and Iran if the Gulf war were to end?

[Answer] As far as fraternal Lebanon is concerned, it is important for me to emphasize that we, like the Lebanese people, are grieving over the destruction,

homelessness and devastation that have befallen that beautiful country. In my judgment what happened is much more than what Lebanon and the people of Lebanon can endure. I am hoping that our Lebanese brothers can achieve a formula so they can stop fighting and achieve a reconciliation that would preserve the territorial and national unity of Lebanon. Regarding the reconstruction of Lebanon, Kuwait can never withdraw from making a contribution with its Arab sisters to the reconstruction of Lebanon. At any rate, there is a resolution that was made at the Arab summit which was convened in Tunisia regarding the reconstruction of Lebanon.

But what is more important than thinking about the reconstruction of Lebanon is that our Lebanese brothers stop fighting and reach an agreement on the present and future of the country.

This is regarding Lebanon. As far as the other part of the question is concerned, I can say that the subject of aid to rebuild what was destroyed by the Iraq-Iran war has been discussed at regional conferences, and an agreement has been reached to establish a fund for that purpose to which all Arab countries will contribute.

#### King Fahd's Peace Plan

[Question] Do you believe that the Arab peace plan, which is the peace plan of King Fahd ibn 'Abd-al-'Aziz that was approved by the Fes Summit, can be implemented?

[Answer] King Fahd's peace plan was considered in detail at the Fes Summit. After that President Reagan proposed his plan. What I can say in this regard is that we would support any plan that the subjects of the question, that is, the Palestinian people, would accept.

#### Visiting the Superpowers

[Question] Why is it that you visit European countries but not the superpowers?

[Answer] If the question is being directed to me personally, my answer is that there is nothing to keep me from visiting these countries when conditions allow for such a visit.

But if the question is a general one, I can say that many Kuwaiti officials have visited these countries. The deputy prime minister, the minister of foreign affairs and the minister of information have recently visited the superpowers. The minister of defense is also scheduled to visit the United States at the invitation of the U.S. secretary of defense. He will also visit the Soviet Union at the invitation of the Soviet minister of defense.

[Question] Is stability in Kuwait all right? Will the austerity policy continue? Is there a possibility that economic prosperity will be restored to Kuwait?

[Answer] Actually, the economic stagnation that Kuwait is experiencing is the result of several factors. Among these factors is the low price of oil, a factor that has affected national revenues. Besides, there is the crisis of al-Manakh Market and the continued Iraq-Iran war. I believe that this crisis will come to

an end and that the economic situation will gradually return to its familiar prosperity and activity. Steps are now being considered to move the economic situation into a positive direction.

Regarding your question about stability in Kuwait, I am confident, thank God. I pray God that He continue to bless us and others with security and stability, and I pray God that He also bless those who have been denied that security and stability.

#### The Limits of Freedom and Democracy

[Question] In light of recent developments and explosions that took place and in light of political reactions in the area in general, what are the limits that have been placed on democracy and freedom in Kuwait?

[Answer] We in Kuwait believe deeply in the principle of consultation and exchanging opinions. Based on our faith in that principle we insist on a democratic system, on freedom and on having an elected parliamentary council participate in formulating the aspirations and ambitions of our people.

It is our opinion that this is a system that is compatible with our heritage, our traditions and our principles. The explosions that were perpetrated by a client group of people who sold themselves to the devil will not affect stability in Kuwait. As you noticed, that action was denounced and condemned by everyone in Kuwait regardless of their nationalities.

#### A Configuration of Alliances for Protecting Sovereignty

[Question] Are your alliances being reconsidered so as to ensure protection for the sovereignty of Kuwait?

[Answer] Protecting the sovereignty of Kuwait is based primarily on the firmness of our national unity and the steadfastness of our domestic front. As far as alliances are concerned, we have none, but we do have relations of friendship and fruitful cooperation with everyone. Our cooperation with our brothers in the Gulf is ideal; our relations with fraternal Arab countries are close and stable; and our relations with friendly countries are normal and strong. On that basis we find no reason impelling us to reconsider this policy.

[Question] On visiting Kuwait one notices and hears about many restrictions that are now being imposed on people working in Kuwait. In light of that fact can you tell us what are the qualities that are required in non-Kuwaitis who work in Kuwait so their loyalties to Kuwait cannot be questioned and so that they would not fear deportation?

[Answer] It is important to make it clear that the measures you are referring to are new. They were required by the country's concern for the security and stability of citizens. I do not think that the blessing of security is exclusive to Kuwaitis; rather all those residing in Kuwait enjoy that blessing. In confronting the critical circumstances surrounding the area and the Arab homeland it is normal for the state to take such preventive measures.



However, this does not mean that we are keeping out of the country those who wish to visit Kuwait or those who wish to come to Kuwait to work. But conditions must be met by those who want to come to Kuwait to visit or to work.

I would like to assure all those who are working in Kuwait that we do not use tyrannical, terrorist or punitive methods with anyone. At the same time we do not allow anyone, no matter who he is, to carry out any action that would hurt Kuwait and affect stability in the country.

#### The Activities of the Gulf Cooperation Council

[Question] Are you satisfied so far with the results achieved by the activities of the Gulf Cooperation Council, or are you hoping for more than what has been achieved?

[Answer] I am very pleased with all the achievements, resolutions and recommendations that were made by the Gulf Cooperation Council ever since it was established. When one takes into account that the council has not been in existence for too long, the results appear to be good and the council seems to be promising, God willing.

The council made many resolutions and took many positive steps that have to do with the continued cooperation between the peoples of this area in all areas: political, economic and cultural.

I personally hope that the council will accomplish many of the objectives that all of us are looking forward to. But at the same time I do appreciate the circumstances of each member country in the council. At the same time I appear to be very optimistic that the ambitious objectives I and, I think, many others are hoping for will be achieved as a result of the meetings that will be held by the council on various levels. I hope these objectives will be achieved as a result of the atmospheres of understanding that are prevailing at those meetings, and as a result of the candor that has been adopted.

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## PETROLEUM CORPORATION'S OVERSEAS OPERATIONS VIEWED

London AL-TADAMUN in Arabic No 52, 7 Apr 84 pp 57-58

[Article by 'Adil Murad: "Kuwait Petroleum Corporation Hopes To Add British Gulf Stations to Its Deals; Kuwait Continues To Acquire European Gas Stations"]

[Text] In 5 years the name of Kuwait will be on more than 3,000 gas stations in Europe.

According to the most recent reports of the Kuwait Petroleum Corporation [KPC], Kuwait's sales of refined oil in Europe amounted to 5 million tons for the year that ended in September 1983. That is a rate of 100,000 barrels of fuel a day. This amount is twice the amount the corporation sold in Europe last year. Indications for the future are that this quantity will continue to rise after another successful deal for the Kuwaiti corporation is completed in KPC's efforts to control the direct marketing of fuel to consumers in European countries.

The deal concerns the purchase of gas stations in Italy that are affiliated with the Gulf Corporation, which is a major U.S. corporation that is gradually withdrawing from European markets for the purpose of concentrating its activities in the United States. That deal, which consists of 1,500 gas stations scattered throughout Italy, would double the distribution network that the Kuwait Petroleum Corporation owns in Europe.

This deal follows the agreement with which the Kuwait Petroleum Corporation, which was founded in 1980, started its expansionist efforts in Europe. The KPC purchased Gulf stations in six European countries in North Central Europe. With the addition of Italy to that list of countries, Kuwait would be looking forward to increasing its sales of refined oil to Europe. Kuwait may try to market refined oil from other countries of the Gulf that are members of the Gulf Cooperation Council.

Current refining capacity in Kuwait is 400,000 barrels a day. By the end of 1986 after the refinery at the port of 'Abdallah is modernized and after al-Ahmadi refinery is expanded, refining capacity will rise to 600,000 barrels a day. It was recently announced that the American Santa Fe Company, which is owned by Kuwait Petroleum Corporation did obtain a contract to modernize the refinery at the port of 'Abdallah at a cost of 2 billion dollars. This growing refining capacity far exceeds local consumption requirements which at the present time are no more than 50,000 barrels a day.

Market sources did not announce how large the financial deal was for purchasing the Gulf stations in Italy. But KPC officials affirmed from Kuwait that the figure was much less than that for the first European deal which had cost 129 million dollars in cash and 175 million dollars in oil shipments. The first deal comprised the purchase of service stations from Gulf in Belgium, the Netherlands, Luxembourg, Denmark, Sweden and Switzerland.

Sales at these stations, which constitute KPC's revenues from its European operations, amount to 1.4 billion dollars a year. Added to that will be the revenues from the Italian deal; these are estimated to be about 600 million dollars a year.

#### A British Deal?

Although the Kuwait Petroleum Corporation has been concentrating only on purchasing service stations as outlets for the direct distribution of refined oil in Europe, it was compelled in the course of negotiations for the European deals to purchase two refineries, four lubrication plants and 17 depots and a half in conjunction with Shell. But it was also able to gain control over a European distribution network that consists of 1,575 service stations in addition to a similar number [of gas stations] in Italy.

#### The Kuwait Petroleum Corporation in Europe

##### The Percentage of Local Fuel Distribution Markets It Controls

Belgium	6.1 percent
Denmark	7 percent
Italy	3.4 percent
Luxembourg	10 percent
The Netherlands	2.5 percent
Sweden	9.5 percent

European oil industry reports state that oil refineries acquired by Kuwait Petroleum Corporation in Europe last year are operating at full capacity. For years production at those refineries under Gulf management had been intermittent since Gulf on most occasions had resorted to purchasing oil from the spot market when prices in that market fell.

There is no doubt that after achieving this success in Europe, Kuwait will be turning its attention to Britain where Gulf owns 450 service stations that are relatively larger than those it owned in Europe. With these stations Gulf has about 2.5 percent of the local distribution market in Britain. The Kuwait Petroleum Corporation is not concealing its interest in this network, nor is Gulf making a secret of its intentions to leave Europe and Britain and go to the United States.

However, there are some difficulties in the anticipated deal. There are two refineries in the area of Milford Haven, and these produce about 150,000 barrels of oil by-products a day. Gulf owns 35 percent of these two refineries, and the rest of the shares are owned by Texaco and Pembroke. One of these two refineries was recently completed in 1982 at a cost of 950 million dollars. Cost estimates for that refinery had not exceeded 600 million dollars. As a result, Gulf

operations in Britain last year lost 35.8 million pounds sterling, and this was reflected in the company's budget.

The Kuwaiti corporation is reluctant about the deal which includes the two refineries because it fears getting itself into trouble with such losses, even though the two refineries are on their way to making profits over the long term. The Kuwaiti corporation also places priority on expanding the distribution network in Europe for oil refined in Kuwait or in the Gulf but not for oil refined in Europe. Market circles are saying that talks between the two parties will begin soon, as soon as a price suitable to the Kuwaiti corporation is achieved.

Mr Nadir Sultan, president of Kuwait International Oil Company, a subsidiary of the Kuwait Petroleum Corporation, who manages European operations from London had informed the British media a few weeks ago that the corporation was trying to fill a vacuum in the market and that it was not adopting aggressive strategies to create opportunities for itself. That statement was made to illustrate Kuwaiti caution in Europe after Kuwait's efforts to expand operations in the United States failed. In the eighties a deal to purchase refineries on Hawaii fell through, and the U.S. government took extraordinary measures against the Santa Fe Company, which was purchased by the Kuwaiti corporation, to exclude it from new bids for oil exploration on U.S. territory.

What remains is that the present stage in Europe is one for promoting the Kuwaiti corporation. It is a stage that will last at least another 5 years during which the Kuwait Petroleum Corporation will use the name, "Gulf" in its fuel marketing operations in accordance with the agreement. After 5 years it will have to choose the commercial name under which it will sell fuel to the people of Europe. That name will undoubtedly be that of Kuwait.

8592

CSO: 4404/411

## BRIEFS

CERTIFICATES OF DEPOSIT ISSUED--Certificates of deposit worth 40 million dollars have been issued for the Kuwait Asia Bank. These certificates of deposit are being managed by the Kuwaiti International Investment Company in conjunction with International Chemical Bank, International Lloyd's Bank, Sumimutu Bank of Japan, the International Gulf Bank, the Kuwaiti Industrial Bank, the Kuwaiti Real Estate Bank and the International Saudi Bank. The certificates of deposit will be issued for a period of 5 years, and they may be converted 3 years after they are purchased. The interest rate on these certificates is variable, and the rate is one fourth of one percent higher than the average lowest interest London banks charge each other (LIBOR); the rate is also one fourth of one percent higher than that on 6 months dollar deposits. [Text] [London AL-TADAMUN in Arabic No 52, 7 Apr 84 p 59] 8592

GULF AIR SUSPENDS FLIGHTS--Gulf Air has cancelled its flights to Tripoli, Tunisia and Algeria in a decision to cancel flights that were not profitable. One of the daily flights to London will also be cancelled as well as one of the four weekly flights to New York. The company blamed the world-wide recession and high operating costs for its decision. On the other hand Gulf Air is considering offering some of its shares to citizens of the countries that own the company. [Text] [London AL-TADAMUN in Arabic No 52, 7 Apr 84 p 60] 8592

CSO: 4404/411

# ECONOMIC RELATIONS WITH CAIRO SUFFERING

London AL-TADAMUN in Arabic No 51, 31 Mar 84 p 63

[Article: "Economic Relations With Egypt Drop to Zero Point; Egypt Suspends Trade Agreement With Lebanon and Stops Receiving Apple Shipments"]

[Text] Beirut--The course of resuming relations between Lebanon and Egypt--a course for which the early stage of Lebanese President Amin al-Jumayyil's administration had prepared carefully in the summer of 1982--has stopped before starting and has returned to the zero point for combined political and economic reasons. A few days ago, the Lebanese Ministry of Foreign Affairs received a message from the Egyptian Ministry of Foreign Affairs notifying it that the Egyptian Government has decided to freeze the negotiations to modify the trade agreement concluded between the two countries in 1965 until further notice. The negotiations were scheduled to start in the middle of last January.

In another step reflecting the degree by which the course to resuming the economic relations between the two countries is faltering, the Egyptian al-Nil Company, an Egyptian public sector company concerned with import and export affairs, terminated the financial credits opened for a number of Lebanese merchants and valued at \$5 million for the importation of Lebanese apples. The Egyptian government had previously concluded an official contract with the Lebanese National Council for Foreign Economic Relations to import this quantity of apples.

The Lebanese official authorities have been surprised by the new Egyptian position and have tried, through their diplomats, to find out the reasons and background for this position, especially since it has come at a time when all signs indicate that Lebanese-Egyptian economic relations have been moving forward on the path of bolstering these relations and of translating them ultimately into the full and normal resumption of official political relations which have been indirectly suspended as a result of the Arab boycott of Egypt in the wake of Egypt's conclusion of the Camp David accords.

Within the framework of the Lebanese administration's movement to find out and overcome the real reasons behind the Egyptian position, the Lebanese Ministry of Foreign Affairs summoned Ambassador 'Abd-al-Rahman al-Sulh, the official in charge of Lebanese interests in Egypt, to Beirut to familiarize it with the essence of the causes of the Egyptian decision. It has been

learned in this regard that Ambassador al-Sulh has told the Lebanese Ministry of Foreign Affairs that the Egyptian Government is upset with Lebanon's official position toward Egypt in the latest Islamic summit where the Lebanese delegate refrained from voting for the reinstatement of Egypt in the Islamic Organization's membership at a time when Egypt had expected Lebanon's support and backing at that summit and in other Arab, Islamic and international conferences. This is why the Egyptian reaction to the Lebanese position has been the suspension of the talks to modify the trade agreement currently in force between them and, consequently, freezing the deal to purchase Lebanese apples as a "disciplinary" measure, if we may use the expression, for Lebanon's stance at the Islamic Organization's conference.

Even though the Lebanese Ministry of Foreign Affairs has been secretive on the details of the emerging disagreement with the Egyptian government and even though Ibrahim Halawi, the Lebanese minister of economy, has denied that Egypt has asked Lebanon officially to freeze the negotiations to modify the trade agreement, those concerned with this issue in the private sector, the Lebanese Industrialists Association specifically, have confirmed the report promptly. The Industrialists Association has sent a cable to the Lebanese Ministry of Foreign Affairs warning of the perils and ramifications of freezing the trade talks with Egypt to the Lebanese economy generally and to industrial exports in particular and requesting that speedy efforts be exerted with Egypt to overcome the obstacles that have obstructed the course of resuming economic relations with it, considering the importance and sensitivity of the Egyptian market to Lebanese exports, especially since these exports are facing, for no reason, obvious difficulties in entering the markets of some Arab countries, particularly the Gulf markets.

In fact, the Lebanese Ministry of Foreign Affairs has moved to deal with the issue, making several contacts with the Egyptian Ministry of Foreign Affairs to secure the holding of a high-level political meeting between the two countries in order to explain Lebanon's stance at the Islamic summit and, subsequently, to again move the course of economic cooperation between the two countries forward.

This meeting was expected to take place at the beginning of last February. But the renewed fighting in Lebanon in the wake of the security explosion in West Beirut, in the southern suburb and in western al-Shahhar area obstructed this objective and, consequently, the course of resuming economic relations between Lebanon and Egypt has continued to be suspended while waiting for the security and political scene in Lebanon to become clear.

It is worth noting here that Egyptian-Lebanese economic relations suffered a major setback in 1981 in the wake of the Egyptian government's decision to suspend enactment of the customs privileges and exemptions granted Lebanese exports in accordance with the trade protocol in force between the two countries since 1965. But with the outset of President Amin al-Jumayyil's administration in the summer of 1982, ceaseless contacts have been held between Egypt and Lebanon to bolster the two countries' economic relations. At the beginning of 1983, Ibrahim Halawi, the Lebanese minister of economy, visited Egypt and held economic talks with the Egyptian minister of economy



and foreign trade. Those talks produced an Egyptian approval to reactivate the trade protocol and to modify it in later negotiations. Sami Marun, the chairman of the National Council for Foreign Economic Relations, also visited Egypt in the middle of last year and succeeded in persuading the Egyptian government to purchase 5 million dollars' worth of Lebanese apples. A joint agreement was concluded on this issue in Beirut last November.

Lebanon's exports to Egypt amount to nearly 300 million Lebanese pounds annually, i.e. nearly 10 percent of the total value of Lebanon's exports, whereas the value of Egyptian exports to Lebanon amounts to nearly 150 million Lebanese pounds.

8494

CSO: 4404/407

CHAMBER OF COMMERCE CHAIRMAN SEES HOPE FOR ECONOMIC REVIVAL

London AL-TADAMUN in Arabic No 51, 31 Mar 84 p 66

[Interview with 'Adnan al-Qassar, Beirut Chamber of Commerce Chairman, by Ibrahim 'Awadah: "Give Us Security and Safety and We Will Give You New Lebanon"]

[Text] Beirut--Once again the wager is made on 1984 to be the final year of the Lebanese crisis, the last stop for the train of destruction and damage and the decisive turning point toward the procession of stability and activity and of regaining health. But it seems, at least so far, that the wager is not encouraging and that its results are likely to be similar to the results of the wager made on 1983, which produced a major disappointment, especially to the businessmen and economists who bet heavily on 1983, calling it the year of economic salvation and redemption.

What do the people concerned with economy say currently about 1984 and how do they evaluate last year's results economically? AL-TADAMUN has interviewed 'Adnan al-Qassar, the chairman of the Beirut Chamber of Commerce, and asked him about 1983 and about what is expected of 1984.

[Question] As economists and businessmen generally and as the Beirut Chamber of Commerce in particular, you wagered on 1983 to be the final year of the Lebanese crisis and the start of a new phase of economic reconstruction and salvation. What were the results?

[Answer] We, as well as all the Lebanese people, received 1983 with a big charge of hope and optimism emanating from the administration's determination to persist in achieving political reconciliation and to embark on the salvation venture. Despite all the limited setbacks, the first quarter of the year was a quarter of political and economic movement and Lebanon received numerous economic missions which had come to explore its needs and to look for opportunities for development and construction projects. Then the step declaring Greater Beirut in February 1983 and the decision to close the illegal ports came to bolster the hopes that the legal authority would extend its control over all the territories at a time when the Lebanese-Israeli-U.S. talks were going on in Khaldah and Qiryat Shemona to insure withdrawal of the foreign forces from Lebanon.

('Adnan al-Qassar went on to add:)

But the conclusion of the Lebanese-Israeli accord on 17 May constituted, regrettably, the start of the countdown for resumption of the security troubles, considering that it was impossible to implement the accord for numerous considerations.

As of the middle of the year, the stagnation crisis emerged as an urgent issue whose effects had been felt clearly in more than one sector. This state of stagnation came as a result of a number of factors, of which the following are the most significant:

The troubled security situation which paralyzed work in more than one area.

The complications created by the Israeli occupation, leading to separating the provinces from each other and from Beirut.

The continued smuggling in certain areas and the invasion by Israeli goods at a time when the scope of legitimate trade in Greater Beirut was narrowing.

The problems facing exports to the Arab countries, especially in the wake of the 17 May accord.

The reduced purchasing power of the Arab countries as a result of the oil conditions which forced the producing countries to squeeze their spending and tighten their belts.

The reduced remittances from the Lebanese working abroad, especially in the Arab countries, and the return of a part of this manpower to Lebanon.

Lebanon's loss of the Iraqi market--the main market for the Lebanese industrial exports--due to Iraq's financial circumstances as a result of the continued Gulf war.

The security situation and the faltering production caused the closure of numerous factories.

As a result of all of the above, and especially of the deteriorating security and political conditions, particularly in the wake of the Mount Lebanon war, the Lebanese economy experienced several negative indicators, the most significant of which were:

A 35-percent drop in exports in comparison to 1982 and the emergence of a deficit of about one billion dollars in the balance of payments for the first time since the start of the events. The public sector's imports, especially for defense purposes, increased and the volume of the public debt grew bigger amounting by the end of 1983 to 22 billion Lebanese pounds, i.e. with an additional deficit of 7 billion. The Lebanese pound's exchange rate versus the U.S. dollar also declined by 44 percent as a result of the said factors, in addition to the confidence factor, which was somewhat shaken because of the political situation. The numbers of the unemployed increased due to the complete paralysis that afflicted numerous industrial areas--a paralysis which posed the threat of a serious social crisis.

The airport was then closed twice within a period of 45 days. New investments, especially in the real estate sector, came to an almost complete halt and the construction sector entered a phase of inactivity after having maintained distinguished activity throughout the previous years.

This was the regrettable outcome of 1983. These results have undoubtedly caused the private sector tangible confusion and this sector has seemed unable for the first time to make fundamental economic decisions as a direct result of the vagueness of the basic picture.

[Question] In light of the abovementioned economic experience you had with 1983, what is your wager on this year, 1984, and do you believe, as some people rumor, that the chance for economic salvation is no longer available?

[Answer] I disagree with those who hold this pessimistic opinion and who started to mourn the Lebanese economy sometime ago. I believe that despite all that has happened, the Lebanese citizen has not despaired yet, even though he has experienced repeated disappointments. The Lebanese continue to wager on the future of Lebanon, clinging to Lebanon's free economic system and to the individual initiative which has been and will continue to be one of the fundamental elements of Lebanon's continuation and survival. There is no better proof of this than the fact that the businessman continues to carry on with his activity abroad and to cling to his homeland. Lebanese steadfastness has become his fate and confronting crises has become a part of him. The hope for relaxation is still great.

While waiting for this relaxation, the Lebanese generally, and the businessman in particular, continue to cling to their homeland, with its united territories, people and institutions. The Lebanese also continue to reject all forms of partition and division and to wait for the proper political and security background to resume their march. I would not be exaggerating if I said that we are capable of rebuilding, reconstructing and saving the economy within 6 months if we are assured lasting stability and security.

8494

CSO: 4404/407

JUNBLATT, DANNY SHAM'UN REPORTED IN AGREEMENT ON FEDERAL LEBANON

London AL-TADAMUN in Arabic No 51, 31 Mar 84 pp 18-19

[Article: "Question Asked by Diplomats: Has Federalism Become Least of Evils; Secret Meeting Between Walid Junblatt and Danny Sham'un in London Defines Agreement of Two Men on Federal State and on Ending War"]

[Text] "What has happened in Beirut recently conceals behind it extremely important and serious matters: A big wheel moving in turn a number of smaller wheels. It is wrong to imagine that the Israeli factor is absent from Beirut's incidents, whether with or without the knowledge of those who took part in the incidents. This factor is present deeply and by the same degree by which the Syrian factor and the other international and regional factors are present. The roles are divided and the events are varied and well known and in this phase, everybody is using the Lebanese capital as a starting point for them."

This is how a high-ranking government official in Beirut has commented on the latest developments in Beirut, adding: "God save us from the worst."

It is indubitable that the latest events in Beirut have proven that the Lausanne conference is no more than a pause preceding ever-escalating developments that will storm the Lebanese arena to produce a new political and military reality that imposes its logic and objectives. A western diplomat believes that what has happened is likely to intensify and anticipates an Israeli reaction to the Lebanese Government's cancelling the 17 May 1983 accord. This diplomat adds that the slogan raised to justify the military blow dealt the Murabitun cannot erase an evident truth embodied in confiscating the independent Sunni decision that has its deep historical roots in West Beirut. This diplomat asserts that the accelerated approaches, contacts and efforts exerted to contain the local and Arab reactions to what has happened in Beirut have not been able to eliminate the feeling of bitterness among the members of the Sunni sect and have not been able to prevent the spread and intensification of hatred among them.

The observers note that the military intensity and combat capability with which the socialists carried out the operation for the control of West Beirut mean that the event was not spontaneous or offhanded but the result of

careful and well-studied planning whose political and military consequences on the ground cannot be contained by any local party, regardless of how strong and capable. Some official circles fear that what has happened is the start for Balkanizing Lebanon and the Arab area.

Reports received from some European capitals indicate that matters in Beirut, the capital, have not ended at this point and that violent confrontations will erupt in the near future between Amal and the socialists. This is bolstered by the agreement reached recently between the Lebanese Forces and the Progressive Socialist Party in al-Kharrub District under the patronage of the Israelis--an agreement calling for a military truce between the two sides and for the Israeli forces to supervise this truce and to carry out patrol duties all along the coastal line and up to the outskirts of South Beirut.

The reports add that the firm and strong presence of the socialists in the mountain and up to the Sawfar-Dahr al-Baydar highway, the return of the Israelis to the southern coastal line through the international highway linking this area with Beirut and the presence of the Lebanese Forces on the contact lines in the eastern suburb of the capital put Amal Movement between the two jaws of a pincer and make it possible to pounce on Amal's fighters at the right time after intensifying the blockage against them and preventing military supply from reaching them. This step seeks in the first phase to re-evict the southern suburb Shi'ites to the south and al-Biqa'.

In the South, according to the reports, Amal Movement will find itself facing limited options. Its fighters will either have to join the southern army under Israeli protection or embark on another emigration to al-Biqa' where the Shi'ites will come finally under the total control of Syria.

For the threads of the scheme to be completed, the reports say that Syrian reinforcements have been sent to the north and deployed around the city of Tripoli in particular to stand in the face of any new military or political attempt by the popular resistance, the Unification Movement, the Muslim Brotherhood and the remnants of 'Arafat's supporters to confront any new developments that may crop up. The talk about this scheme is coupled with the signals sent by Walid Junblatt to the Lebanese Forces in Lausanne and London through the response he displayed in his meeting with Danny Sham'un in the British capital to discuss the issue of federalism and the possibility of reaching a solution on this issue. In its edition of 25 March 1984, the SUNDAY TIMES says that Sham'un and Junblatt agreed in their secret meeting in Sham'un's apartment in London on the form of the federal state which will include four sections [cantons], on the establishment of a federal senate and parliament, on the role of the federal army which will protect the republic's borders, leaving the autonomous internal security to the management of the cantons, on dissolving the militias, abolishing the state of war and returning the Christian refugees to the mountain and al-Shuf villages.

Informed sources have said that should the current developments produce a federal system for Lebanon, this would be the minimum acceptable limit that guarantees the unity of the state, of its people and of its territories.



Otherwise, Lebanon will move toward a confederacy of sects that live next to each other but do not coexist. Consequently, their future relations will be unknown. The final and most alarming possibility for whose defeat all the capabilities must be mobilized is the possibility of Balkanization which will not be confined to Lebanon but will include all the neighboring countries and will take the Middle East back to the age of protectorates and tribalism.

8494

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NON-PARTICIPATION OF CERTAIN SECTS IN LAUSANNE CONFERENCE EXPLORED

London AL-TADAMUN in Arabic No 51, 31 Mar 84 pp 44-46

[Article by Walid Zahr al-Din: "One-Half Million Lebanese Remained Outside Abortive Reconciliation Conference in Lausanne; Who Is the Unknown Person Who Denied Orthodox, Catholics and Armenians Participation in Lausanne"]

[Excerpt] Beirut--Three Lebanese sects did not take part in the second round of the activities of the inter-Lebanese dialogue which was held in the Swiss city of Lausanne, and neither did they take part in the first round which was held in Geneva in 1983.

The three sects are the Greek Catholic, Greek Orthodox and Armenian Catholic and Orthodox sects, in addition to a Roman Catholic minority counted with the Catholics fundamentally.

The issue has preoccupied the various local and Arab circles and parties that played the major role in preparing the late "Lausanne concoction." The spiritual authorities, the political leaderships and the popular notables of the three sects insisted on the need for their representatives to participate in the Lausanne conference. Even ex-President Camille Sham'un stated on the day the invitations were issued to the participants that not all the Christians were fully represented in the conference.

Mar Ignatius Hazim IV, the Greek Orthodox patriarch of Antioch and of all the orient, received a telephone call from a prominent Lebanese figure who told him: "Your eminence, we are all Lebanese and we are all Orthodox. We represent you and you represent us, as long as trust exists. We hope that you will alleviate the pressures so that we may together remove the many wrenches thrown into the works of the Lausanne conference. It is our last hope."

Patriarch Hazim said in reply: "In principle, we are with you. But you personally should have supported from the start the need for all the sects to be represented as of the first dialogue conference in Geneva. We are not raising the issue from a sectarian angle. But every man has his dignity and every sect has its dignity and its rights which cannot be relinquished."

The telephone call ended at this point. But the issue began to interact at more than one level to the degree whereby Shaykh Hasan Khalid, the mufti of

the Republic of Lebanon, and Shaykh Muhammad Mahdi Shams al-Din, the deputy chairman of the Higher Shi'ite Council, said on the eve of convocation of the Lausanne conference: "How can the non-representation of the three sects, namely the Orthodox, the Catholic and the Armenian sects, in this conference be accepted? What accomplishments can the conference bring about and how can it guarantee comprehensive Lebanese support for such accomplishments in the absence of participation of the aforementioned sects in the conference?"

While Shaykh Muhammad Mahdi Shams al-Din was saying regarding the Lausanne conference something to the effect: "I will be watching carefully the results that the conference may achieve and will, in the light of these results, adopt the proper position"--while Shaykh Shams al-Din was saying this, Patriarch Hazim was addressing himself to the participants in Lausanne to tell them: "It is true that we are not participating with you in the conference. However, we will have a clear, definite, effective and influential position toward any result that you may achieve and that may not be compatible with our aspirations, principles and goals."

That climate created a lot of uncertainty regarding the Lausanne conference for many reasons which include, according to some informed government sources, the following:

The Lausanne conference--to which the participants went to settle the Lebanese crisis on the basis of ending the state of bloodshed between the Lebanese sects on the one hand and of finding the formula that enables the 17 sects existing in Lebanon, and fundamentally forming Lebanon, to coexist securely and safely--was not able to drive away the ghost of the disagreement over sectarian representation in it. How can a conference seeking a formula satisfactory to all these sects do so when all these sects cannot be represented in it?

This gave rise to the second reason which accompanied the preparation for the abortive conference--namely the reason that the results achieved by such a conference need a guarantee of implementation. Who would guarantee this implementation if there is no prior inter-Lebanese consensus over such results? Consequently, how can the participants in the Lausanne conference return to Beirut and tell the non-participants, especially the Orthodox, the Catholics and the Armenians: Here are the resolutions we have reached, study them and define your position toward them.

It is the view of these government sources that as soon as the issue is projected on this basis, any dialogue conference to restructure Lebanon will lose much of its ability to decide and its effective implementation as long as the three abovementioned sects, which are as concerned as the other sects with restructuring Lebanon are excluded from such a conference.

What makes the problem of implementation even worse is the political and demographic weight represented by these three sects in Lebanon. The Lebanese Chamber of Deputies has, out of a total of 99 deputies, 11 deputies

representing the Orthodox, the Catholics and the Armenians. According to the sole official census conducted in Lebanon in 1932, the following chart represents the numbers and percentages of the various sects:

<u>Sect</u>	<u>Population Number</u>	<u>Percentage</u>
Maronites	226,378	Approximately 29 Percent
Catholics	45,999	6
Orthodox	76,522	10
Armenians	31,156	4
Other Sects	22,318	3
Sunna	175,925	22
Shi'ites	145,208	19
Druze	53,047	7

According to this census, Lebanon's population amounted to 785,543 people in 1932, of which 153,677 people, or 20 percent, belonged to the three Orthodox, Catholic and Armenian sects.

The demographic factor has played a fundamental role in Lebanon from 1932 and until the present. It is true that no population census has been conducted in Lebanon since then. However, it is indubitable that these figures have changed immensely and numerous vast political, economic and social gaps have developed as a result of this change, especially since the main positions in the State of Lebanon were allotted on the basis of that census and were entrenched and enacted in the national charter upon which agreement was reached at the outset of Lebanon's independence in 1943. In accordance with this charter, the state's three main positions were allotted as follows: The presidency for the Maronites, the Chamber of Deputies speakership for the Shi'ites and the premiership for the Sunna.

The allotment of positions in the Lebanese administration has continued to be established on that demographic basis even though some sects have exceeded in numbers the number one sect in the 1932 census. It is said that the fear of this process of demographic competition is what has prevented and continues to prevent conducting a new census in Lebanon.

In the absence of an official census, estimates are made every now and then on the numbers of the members of the various sects, including the study issued recently by the British Minority Rights Group under the title of "Lebanon, Crisis of Minorities." The study contains the following statistics:

Maronites	900,000
Orthodox	250,000
Catholics	150,000
Armenians	175,000
Shi'ites	1,100,000
Sunna	750,000
Druze	200,000
Other sects	50,000

According to these statistics, Lebanon's population is 3,575,000 people, of whom 575,000 people are Orthodox, Catholic and Armenians. This means that out of nearly 3.5 million Lebanese, one-half million are Orthodox, Catholic and Armenian.

Is it permissible to keep out the representatives of this one-half million from any historic conference seeking to restructure Lebanon on new and firm bases of reconciliation?

The answer to this question is obvious, namely that it is impermissible to keep out one-half million citizens from participation in determining the homeland's destiny and future, especially since the slogan of coexistence sums up this future and sums up at the same time the main reason for what has happened since the first spark of the Lebanese events was touched off on 13 April 1975. But there are numerous answers that are not clear and that concern the search for the real reasons for what may be called "excluding" the Orthodox, the Catholics and the Armenians from the Lausanne conference.

Some say that this "exclusion" would have been terminated if it had not been for the problem of agreement over names, i.e. the names of who was to represent these three sects in Lausanne. Partisan sources (sources that have taken part in the dialogue since the previous Geneva conference) have said that one of the most prominent reasons leading to disregarding the inclusion of representatives of these three sects in Lausanne as original participants or as observers was the objection of some participants in the dialogue to including new presentatives and to the names proposed.

Within this context, these sources have added that the Greek Orthodox Community Council proposed, for example, that one of the three following names be selected as their representative in the dialogue, namely: Fu'ad Butrus, Michel al-Murr or Ghassan Tuwayni.

However, it is said that some non-Lebanese circles objected to the selection of one of the said three names, subsequently "proposing" to the spiritual authorities of the Greek Orthodox sect that one of the following names be selected: Numir Abu Fadil, Najah Wakim or Najib Abu Haydar. But the committee representing the said sect in Lebanon rejected the principle of custodianship over the sect or the imposition of any name on it, stressing the need that the sect be given absolute freedom in selecting its representatives. But the Arab circles have a different opinion on the grounds that this sect has Arab ties and that the number of the sect's followers in Syria alone is fivefold the number of its followers in Lebanon and that they all have common ties.

The same story has been repeated insofar as the Greek Catholic sect is concerned. This sect proposed originally that it be represented in the dialogue by Joseph Skaf, the Chamber of Deputies member and ex-minister of defense. But the same circles objected to this selection and proposed that the sect be represented by Deputy Dr Albert Mansur. However, this proposal was met with strong opposition by the Greek Catholic spiritual circles because it also emanates from the principle of imposing names.

Between the dilemma of selection and of the eagerness for representation in this ongoing historic dialogue concerning Lebanon's crisis and Lebanon's future and with the problem of the insistence of some circles to impose certain names on this selection, the participation of the Greek Orthodox, Catholic and Armenian sects in the Lausanne conference, and earlier in the Geneva conference, evaporated.

But is there a direct and planned reason for the exclusion of these three sects from the activities of the inter-Lebanese national dialogue?

Information circulated by some parliamentary sources in Mansur Palace says that there is no undertaking intended to harm these sects and that all there is to the issue is that an Arab side with distinctive influence in the Lebanese arena informed Lebanese President Amin al-Jumayyil of its wish that the participants in Lausanne be the same people who took part in the activities of the first dialogue in Geneva so that no new differences may arise over the names--differences that may obstruct holding the conference. Moreover, the "national unity government" in which all will participate is the side that will witness [enact] the executive decisions.

These sources add that in the face of this wish [of the influential Arab side], President Amin al-Jumayyil found himself facing an imposed fair accompli, though imposed diplomatically, especially since this Arab side tied participation by representatives of the Orthodox, Catholic and Armenian sects with the need to have various Lebanese political and partisan factions represented on the other hand. This is why the Lebanese president found himself facing two evils. He chose the lesser of the two, namely not to have any new side participate in Lausanne. The same thing happened when it was dictated to the president to select 'Adil 'Usayran on behalf of the Shi'ites and to exclude Kamil al-As'ad and other names to which Amal objected.

But this logic, though acceptable at the level of the political tug-of-war, is rejected by the Orthodox, Catholic and Armenian sects and even by other sides, of whom we have mentioned Shaykh Hasan Khalid, the mufti, and Shaykh Shams al-Din, in addition to ex-Prime Minister Sa'ib Salam and Lawyer Nabih Barri, the chairman of Amal Movement who has said in this regard: "We, as Amal Movement and as the National Salvation Front, support participation by representatives of the Orthodox, Catholic and Armenian sects in the dialogue conference, especially since the conference is tantamount to a constituent assembly for establishing the new Lebanon. Consequently, it is impermissible that fundamental and influential sectors of the Lebanese people be absent from representation and participation in the conference."

However, the conference was held and has failed and the "influential sectors" did not participate in its debates, discussions or failure. A big question mark continues to be raised on whether these sectors will turn in the future into "stumbling blocks." But Patriarch Hazim has settled this issue in advance, saying:

"We will offer all the concessions that help the State of Lebanon to rise and continue under the canopy of the unity of the soil, the people and man."



Thus, the question remains outside the framework of probability. But the issue continues and the investigation continues to look for the "unknown" who denied the Greek Orthodox, the Catholics and the Armenians participation in the Geneva and Lausanne conferences.

8494

CSO: 4404/408

'AKIF HAYDAR SAYS AMAL WANTS POLITICAL SECTARIANISM ABOLISHED

London AL-TADAMUN in Arabic No 52, 7 Apr 84 p 24

[Interview with Col 'Akif Haydar, chairman of Amal Movement's Political Bureau: "No Return to 'Lebanon of Tribes and Sects'"]

[Text] Col 'Akif Haydar, the chairman of Amal Movement's Political Bureau and the man they call the "white tiger" because of his dignity and prestige, left the army in 1977 after the 2-year (1975-76) war. He, along with a number of command officers, played a prominent role in preserving the unity of the al-Yarzah establishment when this establishment was being exposed to fragmentation and division at the hands of a number of officers, such as Ahmad al-Khatib, Sa'd Haddad and Major Barakat. Today, Haydar is considered one of the Lebanese political figures. In addition to being an army officer, Haydar was known as a skillful engineer and brilliant lawyer. He has been subjected to two abortive assassination attempts. AL-TADAMUN has interviewed Haydar to find out from him the latest political and security development, especially in the occupied Lebanese south. Here is the text of the interview:

[Question] The southerners are currently living under the fear of partial Israeli withdrawal from the districts of Jazzin, Sayda and al-Zahrani. They also fear that before withdrawing, Israel will ignite there the fires of a sectarian sedition similar to the sedition it ignited in the mountain [Mount Lebanon]. As the Amal Movement, how will you face this situation to prevent the outbreak of any security incidents similar to the mountain's incidents?

[Answer] We have already warned our people in the south, both Muslims and Christians, of what is being conducted by Israel against their security and coexistence and we have foiled many of Israel's opportunities, beginning with the attempt to set up the National Army and the Shi'ite Army and ending with the attempt to set up al-Ansar Army. We have pointed out to the Lebanese Forces the dimensions of the continued presence of their barracks in the south -- dangers that threaten them as they threaten other southerners. It seems that after failing to set up the Shi'ite Army and after the disintegration of Sa'd Haddad's army, Israel has decided to establish in the southern arena a sort of popular organization to act as an instrument to implement its objectives of fragmentation when it withdraws from the south. The leadership of this group which Israel has formed in the south consists of elements alien to the south. Patriotic Jazzin, with its political families and leaders,

refrained from taking part in the rally which was organized there under the patronage of Israel. The assignment of Maj Gen Antoine Lahd, who has been returned to the service and who is a follower of former President Camille Sham'un, to lead this group militarily makes us tend to believe that something is being hatched by some factions of the Lebanese Front and Israel. This is nothing new and it poses no additional danger. Israel, which is capable of sending additional brigades to the south, has not scared or intimidated us. If Israel withdraws and leaves behind this group to play its role, we will consider the group an extension of the Israeli army and we will deal with it in the manner and method with which we have dealt with Israel itself. But out of our national, moral and humanitarian duty, we draw the attention of the officials in some Christian and southern leaderships to the need to deal with this disgraceful situation for fear it may result in something that reminds us of the mountain incidents.

[Question] But Dani Sham'un has accused some of Amal Movement's leaders in the south, especially Muhammad Ghaddar and his brother, of dealing with Israel and has threatened to reveal the minutes of the sessions held between them and the Israelis.

[Answer] First, it is easy to trump up accusations. In Lebanon, we have become accustomed to hearing tendentious rumors that always come within the framework of a full and complete plan. Let the esteemed Dani Sham'un publish the minutes he is talking about if they actually exist.

[Question] The Lebanese Forces have demanded the creation of a Christian entity as a reply to the abolition of the 17 May accord. Do you think Israel will contribute to crystallizing this idea, especially since it has announced that it will resort to changing the south's demographic reality?

[Answer] This manifestation is a result of disregarding Lebanon's identity since independence and until the present. There are parties and factions that do not believe in Lebanon as a final homeland and that demand comprehensive Arab unity. Countering this group, there are other factions and parties that believe in internationalism and do not believe in homelands. Does this mean that we should bend to these positions and submit to this blackmail? Lebanon is an Arab, sovereign, free and independent country and any attempt to betray the concept of the homeland, the country's constitution and the unity of the soil and of the people is, by its very nature, doomed to certain failure.

[Question] How do you view the post-Lausanne conference phase?

[Answer] I can answer this question for the Amal Movement and say that what we will seek to achieve after Lausanne is to implement the working paper presented by the Movement to the conference on all issues which Lausanne has failed to settle.

The Movement's demands are, as all know, general national demands that take into consideration the citizen's rights and the conditions to liberate the homeland and to insure its impregnability, sovereignty, dignity and survival. Any other approach, even if it is partial, is tantamount to cheap bargaining

and must be an evil seed that is planted in the Lebanese soil to grow after years as new catastrophes to the homeland.

All the projections presented by the Movement to the Lausanne conference, and earlier to public opinion, have been the outcome of a general and comprehensive popular will of which Amal constitutes one segment only. These projections are as far as can be from all factional and sectarian interests. In agreeing to go to Lausanne, the Movement knew in advance that it would suffer from a lot of bitterness at the hands of a number of parties involved in the conference because their presence in the conference derives its strength from the sectarian system. The Movement is hostile to this very system. How can somebody who derives his strength from sectarianism abandon sectarianism and demand the abolition of political sectarianism? The Movement, which has sacrificed thousands of martyrs, will not abandon its first and foremost demand, namely building a homeland that is dominated by social justice and that belongs to all its sons and factions, with no faction enjoying privileges to the exclusion of others. We will not agree to return to the Lebanon of tribes and clans, plantation Lebanon and the Lebanon of sectarian quotas. We insist on the abolition of political sectarianism and we will continue to struggle until we build a homeland that satisfies the aspiration of our Lebanese people who have suffered the woes and faults of the sectarian system.

8494

CSO: 4404/407

RAPPROCHEMENT POSSIBILITIES BETWEEN DAMASCUS, PHALANGE SEEN

Paris AL-MUSTAQBAL in Arabic No 369, 17 Mar 84 p 29

/Article: "New Bridges Between Syria and the Phalange"

/Text/ The dialogue which seems to have begun between Damascus and the Phalange Party following the return of President al-Jumayyil from Damascus and the cancellation of the 17 May accord is aimed at removing the fears of Arab Christians and strengthening their ties with Arabism.

The Syrian-Lebanese reconciliation, which began with the visit by President Amin al-Jumayyil to Damascus and the cancellation of the 17 May accord, seems to have reopened the door to the initiation of a dialogue between the Syrian capital and the Lebanese Phalange Party, in an attempt aimed at building new bridges of mutual understanding and concord.

Talk about this subject began after the return of the president of the republic from the Syrian capital. It was said that direct preparatory contacts had begun between Damascus and the Phalange Party. They are expected to lead soon to a visit to the Syrian capital by a delegation from the Phalange Party. The delegation would carry out talks dealing with the circumstances of the new stage into which official Lebanese-Syrian relations have entered, as well as possible areas of cooperation between the Phalange Party and Damascus.

Today, many people in the Lebanese capital think that any dialogue or talks between Damascus and the Phalange will have to face numerous difficulties that make it less than easy to rebuild the shattered relations between the two sides and return them to the state of mutual understanding, cooperation, and friendship they attained from 1976 to 1977. The many factors and considerations that brought about the destruction of those relations more than 5 years ago gave birth to a deep crisis of trust that has constantly impelled Syrian-Phalangist relations toward further deterioration and enmity. The introduction of the Israeli factor as a basic element of the internal Lebanese conflict via Israel's relationship with the Phalange was a basic and direct cause of the destruction of the Phalange's relations with Damascus. It is said that Damascus is today working cautiously with these Phalangist contacts. This stage contains new circumstances that were born in the aftermath of the result of the meeting between the Lebanese and Syrian presidents, who achieved reconciliation and common understanding on some essential and basic matters, from the cancellation

of the 17 May agreement to the drawing up of a new framework and new content for relations between the two countries. Damascus thinks that at this stage it is essential to keep the door of dialogue and contact open with all the Lebanese factions, especially the Christian ones. This applies especially to the Phalange Party, which is now the undisputed leader of the Maronites. The party considers its return to dialogue and contact with Syria and the attempt to build new relations with it something natural, since all this is but an extension of the foundations of reconciliation and cooperation laid by Syrian President Hafiz al-Asad with Lebanese President Amin al-Jumayyil, the son of the president of the Phalange Party.

According to some leaders of the Lebanese opposition, when President Hafiz al-Asad recently met with Mr Walid Junblatt and Mr Nabih Birri, he devoted part of his conversation with them to the subject of relations with the Christians in Lebanon. According to these leaders, President al-Asad emphasized the necessity of gradually lessening the intensity of the political and military pressure, and, consequently, the intensity of the media campaigns against the Christians, with the goal of freezing the Lebanese situation. Thus, the situation could be made more responsive to the efforts being exerted to stop military and combat operations and achieve national reconciliation on the basis of political reforms. It is hoped that these reforms will be worked out by the second session of the Lebanese dialogue conference in Lausanne.

These sources said as well that President al-Asad emphasized the necessity of not continuing to put pressure on the Christians. He said they must no longer be made to feel that danger is always surrounding them. These sources recalled the speech given by President al-Asad in 1976, when he called for the need to make the Christians always feel safe and a part of the nation. He said no oppression should be practiced that would cause them to flee from Arabism or feel threatened by it.

These leaders said that President al-Asad's talk with Mr Junblatt and Mr Birri seemed to be inspired by that famous address. The head of the Phalange Party, Shaykh Pierre al-Jumayyil, has continued to cite it, since he believes that it shows full understanding of the situation of Christians in Lebanon and the Arab east.

12224

CSO: 4404/383



BRIEFS

DUBAYY PORTS IMPORTS--The volume of government imports passing through the ports of Dubayy last December reached 345.7 million kilograms, valued at 1.38 billion dirhams. They included food, livestock, beverages, tobacco products, raw materials, fuels, vegetable and animal oils, chemicals, manufactured products and vehicles. Statistics published by the Dubayy Bureau of Ports and Customs noted that the total price in dirhams of food and livestock was 149 million; raw materials were worth 19.9 million; animal and vegetable oils were worth 8.8 million dirhams; manufactured goods were worth 331.5 million dirhams, and vehicles were worth 378 million dirhams. [Text] [Al-Shariqah AL-KHALIJ in Arabic 14 Mar 84 p 6] 9310

PORT RASHID ACTIVITY--The total number of ships that called at Port Rashid last January and February was 275, 129 of them in February, including freighters and container ships. The volume of maritime freight handled at the port in that period was 904,472 tons, 470,624 of it in February. Khalid al-Julaf, deputy director for Port Rashid affairs of the Dubayy Bureau of Ports and Customs, said that goods handled in port operations included general freight and general merchandise totaling 217,297 shipping tons, including 161,429 tons handled in February. Included were foodstuffs, cement, wood, building materials, petroleum-related materials, sacked goods and frozen goods. These operations also handled transit freight totaling 201,178 shipping tons, and loaded container ships weighing a total of 332,373 tons, including 186,810 tons handled in February. [Text] [Al-Shariqah AL-KHALIJ in Arabic 14 Mar 84 p 6] 9310

CSO: 4404/389

U.S. FIVE-YEAR PLAN TO MILITARIZE INDIAN OCEAN REPORTED

Kabul HEYWAD in Dari 1 Nov 83 p 3

[Article by Touryalay Kheyal]

[Text] Since the beginning of the first quarter of the 70's, the presence of U.S. military forces in the Indian Ocean has increased. The countries on the littoral of this calm ocean in general have gained their independence and are progressing in their development. These countries have joined the nonaligned movement and seek a peaceful atmosphere and security for their social and economic renewal. The increased presence of U.S. military forces, the leader of world imperialism, in the Indian Ocean has been interpreted as a direct threat to the independence and national sovereignty of all littoral and other countries of the Indian Ocean. These countries, through the efforts of the nonaligned movement, have demanded that the region of the Indian Ocean be declared a zone of peace and have requested that an international conference be convened to accomplish peaceful aims and initiatives.

However, the imperialist forces headed by the United States, the plunderer of the world, have their greedy eyes fixed on vast raw material resources, especially the oil fields of the littoral countries of the Indian Ocean and in particular the countries located on the [Persian] Gulf and its vicinity. Moreover, they plan to use the Indian Ocean as a great military base aimed against the Soviet Union and other developing countries. The United States has included the Indian Ocean and its vast coastal region in its "black list" as a zone of vital profit without any consideration for the desires of the littoral and nonaligned countries, and has continued its efforts to create, restore and reinforce its military power in the Indian Ocean. It has established more than 30 military bases here and there in the different parts of this ocean so far. Its greatest base is in Diego Garcia, legally part of Mauritius. But the United States has plundered the island since the evacuation of British imperialist forces and has turned it into one of its greatest military bases. The greatest air and naval forces of the United States, such as strategic bombers and nuclear submarines, are stationed in this island.

With the beginning of the 1980's, the United States not only paid no attention to the resolutions of the U.N. General Assembly on restoring the Indian Ocean as a peaceful region and withdrawing its nuclear forces, but, in pursuit of

its plundering monopolization and to secure its ominous interests, initiated its new 5-year plan (1980-1985) for militarization of the Indian Ocean. The increased presence of U.S. forces includes two aircraft carriers, supply ships, cruisers, battleships and support vessels. The construction, modernization and reinforcement of U.S. military bases is continuing apace in Somalia, Kenya, Oman, Bahrain and Pakistan. U.S. strike forces have been stationed in the region and 250,000 soldiers are mobilized under a central high command covering 19 Asian and African countries of the Indian Ocean. Overall, the United States has allocated the enormous and astounding sum of approximately \$30 billion under the 5-year plan to militarize the Indian Ocean. According to plans of the NATO Planning Committee, the Indian Ocean has also been made part of NATO operations.

All the feverish activity of the imperialist forces not only create an obstacle to peace in the Indian Ocean, but the establishment of gigantic military forces by U.S. imperialism poses a direct threat to the countries of the region and plays a significant role in the world's convulsion, which will bring unpleasant developments; responsibility for this rests on the shoulders of the Reagan administration and the other satanic forces of imperialism.

12646

CSO: 4665/26

FOUR MODEL FARMS TO BE CREATED BY GOVERNMENT

Kabul HEYWAD in Dari 1 Nov 83 p 4

[Text] In 1358, the Department of Government Farms was formed for the purpose of mechanizing government farms and changing the system of agriculture for the benefit of the country's toilers and growth in the quality and quantity of agricultural products.

Roshanmal, chairman of the department, in citing this, added:

This department has five productive farms in Kabul Province, covering a total of 2,091 hectares. Two farms are located in Paghman district and one in Char Asayab, one in Bagram and the other in Deh Sabz districts.

In addition, the Department of Government Farms has 50 [as published] farms throughout the country: 12 in Balkh Province, 5 in Jozjan Province, 2 in Faryab, 5 in Oruzgan Province, 2 in Kandahar Province, 2 in Takhar, 2 in Nimruz Province and 11 in Herat Province.

At present, of course, these farms are not graveled and levelled and are without modern irrigational systems and other basic structures. Now it is required that they be graveled, that blocking be arranged and that they be repaired and the irrigational network be improved and sufficient water reservoirs be supplied. Residential quarters must be constructed, and the bases for modern farming must be laid.

It is intended that four model farms will be created through the cooperation of the friendly Soviet Union.

These farms will gradually become agricultural and animal breeding complexes. Being provided with construction equipment, these farms will become modern residential complexes with schools, kindergartens, mosques, recreation centers and so forth. In addition, the levelling and dividing operations of the model farms will be completed after completion of the survey started by the Helman Construction Company. Also, the survey work on the government farms of 'Ali Chohan has been started by the project department of the Ministry of Irrigation.

The source also added that the government farms will begin by producing special plants according to the climate, type of soil, quantity of water and economic considerations. Kabul government farms generally have been selected for fruit, vegetables and grain seeds. Also, specialty products have been taken into consideration at government farms in the provinces. The government farms of Baghalan Province generally will produce sugarbeets and other government farms have been selected mainly to supply industrial products and to develop cultivation seeds.

The government farms will be expediting increased production, increasing and developing the best available animal breeds and planting to provide sufficient quantities of foodstuff for the people and producing raw materials for the development of industries of the country and its imports.

12646

CSO: 4665/26

## CONSTITUTIONAL CRISIS BREWING IN ANDHRA PRADESH

### Supreme Court, Parliament Dispute

Calcutta THE STATESMAN in English 29 Mar 84 p 1

[Article by S. Rajappa]

[Text] HYDERABAD, March 28.--Angry MLCs in Andhra Pradesh today threatened to move a privilege motion against the Chief Minister, Mr N. T. Rama Rao, for seeking the President's advice on how to deal with the crisis created by the refusal of Eenadu's editor. Mr Ramoji Rao, to appear before the admonition of the charge of committing contempt and breach of privilege.

At the end of a tension-filled day's discussions, members left it to the discretion of the Chairman of the Council, Mr Syed Mukassir Shah, to bring the editor to book in such a manner that would not compromise the dignity of the House.

While Mr Shah did not acquiesce to the Chief Minister's request to postpone the admonition till the latter received the President's advice on how to deal with the conflicting directives from the Chairman of the Council and the Supreme Court to the Commissioner of Police on the issue of producing Mr Ramoji Rao before the House, he did not fix any fresh date for the admonition or give any new direction on how to get over the impasse.

Just as the Council met this morning, Mr K. Vijayarama Rao, Commissioner of Police drove to the Eenadu office and served the notice issued by the Chairman asking Mr Ramoji Rao to appear before the Bar of the House at 11 a.m. He, however, told the editor, "I am not arresting you", as he had received a telegram from the Supreme Court restraining him from taking such action. He requested Mr Rao to "come on your own, if you please".

Mr Ramoji Rao replied: "I am not coming unless you arrest me".

As soon as the Council met in the morning, Mr Rama Rao informed the House that he had sought the President's advice to resolve the issue and sought postponement of admonition of Mr Ramoji Rao for which a special enclosure had already been erected.



He said: "The honourable House had directed the Commissioner of Police to produce Mr Ramoji Rao on March 28, at 11 a.m., to receive admonition. The honourable members are also aware of the fact that the Supreme Court has since directed the Commissioner of Police and the Secretary, legislature, restraining them from arresting Mr Ramoji Rao.

"Acting contrary to the direction of the Supreme Court may be violative of Article 144 of the constitution. Similarly, acting contrary to the directions of the House would be violative of the provisions of Article 194.

"With a view to finding a way out of this situation, I have made a reference to the honourable President of India requesting him to take the advisory opinion of the Supreme Court under Article 143 to resolve this issue".

The Chairman adjourned the House twice during the day to give time to members to consult their party leaders.

In a four-hour discussion that followed, members, cutting across party line, were critical of the Chief Minister "seeking the President's advice without consulting the House or its Chairman".

Mr Kashava Rao said the failure of the executive to carry out the orders of the legislature amounted to failure of its constitutional obligations. He was of the view the Chief Minister had undermined the authority of the House by his action.

Mr M. J. Manikya Rao of the Progressive Democratic Front said the Chief Minister was guilty of contempt of the House and accused him of trying to minimize the gravity of the issue by writing to the President. He suggested that the House ask the President to ignore the Chief Minister's letter. He also wanted the Commissioner of Police to be suspended as he too was guilty of contempt of the House.

Mr J. Surya Prakash Reddy (BJP) said the Commissioner was not bound by the Supreme Court order and that he should have carried out the Council orders to produce Mr Ramoji Rao before its Bar.

Mr P. Nagaswara Rao (CPI) was the only member who wanted the issue to be adjourned for a week so as to hear from the President first.

Reiterating that he was one with the Council and that he would abide by its decision, the Chief Minister denied that he was shielding Mr Ramoji Rao.

The consensus of the debate was that Mr Ramoji Rao should be produced before the House without further loss of time since the whole country was watching the situation. It was felt that failure of the Government to produce the editor of the Telugu daily before the House amounted to failure of the government.

Mr Ramoji Rao, the central figure in this drama, said in the evening that all he wanted was "justice" and that the law should take its own course.

## Discussion in Lok Sabha

Calcutta THE STATESMAN in English 29 Mar 84 p 7

[Text] NEW DELHI, March 28.--The developing conflict between the Andhra Legislative Council and the Supreme Court, over a breach of privilege issue, figured in a big way in the Lok Sabha during zero hour today with, at one stage, a running argument between the Chair and some members--whether Parliament and, by implication, the State legislatures, were really supreme.

The Speaker, Mr Balram Jakhar, who said he was giving no ruling, was of the firm view that Parliament was supreme under the Constitution. "I am not prepared to compromise on the supremacy of Parliament", he told members at one point.

The Andhra issue was sought to be raised by almost the entire House during zero hour but, apparently, only the Opposition members had given notices of adjournment motions on it.

As everyone kept talking, and the decibel count in the House rose alarmingly, the Speaker got up and suggested that the members speak one at a time, so that he could hear them.

Mr Atal Bihari Vajpayee (BJP) then suggested that the Chair ask the Law Minister to make a statement on this issue.

As the noise in the House did not subside, the Speaker was again on his feet to tell members that he could see that they were all agitated over this matter, but it was something that had to be considered calmly. He would, he told them, first discuss the issue with party leaders as well as with the Law Minister, in his chamber, and it could then be discussed in the House.

Then, from his Chair, he delivered his views on the subject.

The role of Parliament and the Judiciary, he said, were "complementary and supplementary" to each other. "We don't want to interfere in their functioning, nor do we want them to interfere in our functioning". And he repeated--"I am talking of Parliament and the Judiciary". They formed the two wheels of a vehicle (apparently the Government), and they had to roll along together.

Then, specifically, he added that the role of the State Legislature and that of the Judiciary were "complementary and supplementary"; that, however, the State Legislature was supreme, and that therefore, there could be no "interference" in the legislature's functioning.

## Text of Letter to Singh

Madras THE HINDU in English 29 Mar 84 p 9

[Text] HYDERABAD, March 28. The following is the text of the letter that the Chief Minister, Mr. N. T. Rama Rao, wrote to the President, Mr. Zail Singh today:

"Whereas it has come to the knowledge of the Government of Andhra Pradesh from a letter dated March 27, received at about 4 p.m. from Mr. Ch. Ramoji Rao, Chief Editor of Eenadu, he has filed a writ petition No. 1394/84 in the Supreme Court against the Secretary to the Government in the Andhra Pradesh Legislative Council, challenging the orders passed by the AP Legislative Council that he has committed gross breach of privilege of the House and that he should be called to the Bar of the House to receive admonition and that the Supreme Court passed orders dated March 20, issuing a show cause notice to the respondent, the Secretary, Legislature Department, returnable on March 27, directing that the petitioner shall not be arrested in pursuance of any warrant or process issued by the Legislative Council or by the Committee of Privileges of Legislative Council, in case such process or warrant was issued.

"He has also brought to the notice of the Government that the Chairman of the Legislative Council has issued directions to the Commissioner of Police to produce him before the Bar of the House on March 28 at 11 a.m. to receive the admonition. He stated that under Article 144 of the Constitution it is the duty and judicial authorities to act in aid of the Supreme Court order and requested that he should be provided protection of enforcement of the Supreme Court order.

"On reference from the Commissioner of Police to the Chairman of the Council, bringing to his notice the order of the Supreme Court, the Council discussed the issue and directed the officer not to honour the order of the Supreme Court. The Secretary to the Council addressed a letter directing the Commissioner of Police to carry out the orders already issued by the Council to produce Mr. Ramoji Rao before the Bar of the Council.

"It is understood from the teleprinter messages of several news agencies and also from the evening edition of the Andhra Patrika that the Supreme Court has passed its order on March 27, directing that the show-cause notice issued by the Supreme Court should be served on the Secretary to Legislature Department through the Registrar of Andhra Pradesh High Court. The Supreme Court by another order passed in the afternoon on special mention made by the writ petitioner's advocate, restrained the Commissioner of Police and the Secretary to Legislature Department from arresting Mr. Ramoji Rao.

"It is evident that we have a situation wherein carrying out the orders of Legislative Council would mean disobedience of the court and contrary to the orders of the Supreme Court, while on the other hand, carrying out the Supreme Court's orders would mean acting contrary to the orders of the Legislative Council. The Andhra Pradesh State Government is of the opinion that a

situation has arisen which is of such a nature and public importance that the Honourable President of India should intervene in the matter and exercise his powers under Article 143 of the Constitution and obtain the opinion of the Supreme Court on this issue."

#### Statement in Council

The Chief Minister made the following statement in the Council:

"The Hon'ble House had directed the Commissioner of Police to produce Mr. Ramoji Rao on March 28 at 11 a.m. to receive admonition. Members are also aware the Supreme Court has since directed the Commissioner of Police and the Secretary of the Legislature, restraining them from arresting Mr. Ramoji Rao.

Acting contrary to the direction of the Supreme Court may be violative of Article 144 of the Constitution. Similarly, acting contrary to the directions of the Hon'ble House would be violative of the provisions of Article 194 of the Constitution.

With a view to finding a way out of this situation I have made a reference to the President requesting him to take the advisory opinion of the Supreme Court under Article 143 of the Constitution to resolve this issue.

In the light of what I have said, I request the Hon'ble Chairman to adjourn this item of business till we get a reply from the President".

CSO: 4600/1732

PRESIDENT: SUPERPOWERS CANNOT CHANGE IRAQ'S DETERMINED FATE

Tehran ETTELA'AT in Persian 9 Apr 84 p 3

[Text] On the martyrdom of the revered religious scholar, Martyr Sadr, and his oppressed sister, Bent ol-Hoda, yesterday morning President Hojjat ol-Eslam Seyyed 'Ali Khamene'i said in a meeting with the members and authorities of the grand revolutionary Islamic assembly of Iraq and the members of the independent brigade of Imam Sadeq, affiliated with the grand assembly mobilization: The murderer of Martyr Sadr was not only Saddam; the domineering powers of the East and the West and those policy makers who saw him as an obstacle to their domineering policies have also had a share in the martyrdom of this revered martyr.

At the beginning of his statement, Hojjat ol-Eslam Khamene'i first described the exalted scholarly, political and religious personality and also the revolutionary spirit of Martyr Sadr and said: Ayatollah Sadr was one of the exceptional figures in the history of Islam. He was considered an unmatched asset to Islam.

The president referred to the martyrdom of this divine scholar and added: The martyrdom of a revered personality such as Martyr Sadr, with such magnificence, at the hands of the puppet executioners of Iraq is not surprising. It would have been surprising if he had managed to stay alive.

Pointing out that colonialism had tasted most parts of the Islamic world, he recounted some of the examples of the struggles of the Muslims and the Islamic historical personalities and said: Colonialism has tasted throughout the Islamic world the faith, motivation, Islamic leadership and role of the religious jurists and has licked its wounds. Wherever the Islamic nation has enjoyed sincere and deep faith, colonialism could not rest peacefully there.

Then referring to the colonialist policies for removing Islam and the Koran from the society, he said: In the course of consecutive decades, using every possible means, colonialism has struck out against Islam. The result has been that the Islamic



governments and nations have become the captives and prisoners of colonialist policies and the Islamic world has become what you have witnessed in recent decades.

In the last few decades, the manifestations of the rebirth of Islam have been observed everywhere and Martyr Sadr was one of the greatest of these manifestations. Martyr Sadr used two factors to revitalize Islam: first, scholarly and intellectual injection and, second, the injection of revolutionary faith.

Pointing out that Islamic movements will sooner or later end in victory, he explained the role of the martyrdom of Ayatollah Sadr at the peak of the Islamic movement in Iraq and said: Today, this movement in Iraq is boiling. The determined fate of Iraq is clear. Those who try to postpone this fate through politics, making deals, and resorting to political wheeling and dealing must know that they will not be able to alter this fate.

#### The Responsibility of the People of Iraq

He then referred to the present responsibility of the people of Iraq and said: The men and women of Iraq carry the burden of the greatest responsibility today, which is to prove the correctness of the experience of the Islamic revolution in Iran. Nations must not imagine that the experience of the Islamic revolution is merely temporal and spatial.

Then, emphasizing the necessity of unity among Muslims, ol-Eslam Khamene'i said: Today, the Arabs, Kurds, Turks, Sunnis and Shi'ites in Iraq must side with each other to prove that Islam is right. Today the bloodthirsty wolves have attacked the people of Iraq. Today the nation of Iraq is a nation which seeks the help of all Muslims. Yes, it is true that the cries of help are heard from every Iraqi man, woman and child, every Iraqi, imprisoned or free, every Iraqi everywhere in the world, once they realize the responsibility of their conscience. They ask all Muslims: "Help us Muslims"; and the Muslims must help them. It is our duty to help them and we will do so. By the grace of God, our combative forces will remove the first and greatest obstacles and it is you who must strike the next blows and create the situation in Iraq which is desired by its people.

#### Continuation of Support

Then, pointing out that the regime of Iraq is an unstable regime because it does not have the support of the people of Iraq, he said: In addition, the most severe blows have been inflicted on this regime. Today even the global supporters of the present regime in Iraq have been forced to confess that this regime is on the verge of toppling. Of course, these global supporters have not yet stopped their support for Iraq despite the fact that



great Western governments have witnessed the questioning and protest of their people asking why they help such an oppressive regime which is about to fall. But although the questions and the pressures of the people and the parliamentary representatives have embarrassed them throughout the world, they have not had the necessary experience to withdraw their support for the regime of Saddam.

He added: Of course, the Americans pretend that they do not wish to tie their fate to that of the present regime of Iraq, but we do not accept such deceptive propaganda claims.

We are not prepared to accept the show of separation of the United States, which is put on with the agreement of the Iraqi regime and the United States. Today, we witness that the most loyal supporters and allies of the United States in the region continue to give their daily support to Iraq. The regimes of Egypt, Jordan and other allies of the United States in the region regularly help this regime. Hence, the United States backs the Iraqi regime as before and still continues to do so. Those in the East are also helping it. Today, the regime of Iraq is one of the astonishing meeting points of the policies of the East and the West. All policies which have something to fear from Islam help Iraq. All the powers which consider Islam and the Islamic revolution an obstacle in the path of their domination, plunder and political, military and economic domination try to support Iraq. Of course, they have done so in the course of these three years as well and still Iraq has fallen on such calamitous times. Iraq was powerful when it attacked Iran. It had a strong and organized army. It had a relatively good domestic situation. Despite all the aid given it in the course of these three and a half years, today it is in the worst situation. Therefore, this aid will ultimately be of no use to it and will not save it from its determined fate, as it has failed to do so far.

#### False Propaganda

The president then addressing the great powers said: Great powers should not try to deceive the people and through some empty propaganda and words pretend that they have not helped Iraq and have not taken sides in the war. No, we declare that the great powers have not been neutral in the war and have all helped Iraq. Of course, we declare that we have never had any fear of this cooperation and unity of the devious and Satanic forces. We have stood against them and have defeated them and, by the grace of God, we have thus far been successful.

The ultimate burden of this responsibility is on the shoulders of the people and their guides. The supreme Islamic revolutionary assembly must provide a line and training for all the struggling forces. It must guide them and give them hope. It must determine their day to day programs. The supreme assembly must announce to the people of Iraq that no help should be given to the regime of Saddam and that such will today be considered an action contrary to religious laws and Islam.

# NONALIGNED STATES URGED TO BOYCOTT OLYMPIC GAMES

Tehran ETTELA'AT in Persian 7 Apr 84 p 14

[Text] New Delhi, IRNA. Considering the position of the bloodthirsty United States regarding the oppressed nations and considering the crimes and the continued interference of the United States in the Middle East, particularly its support for the occupying regime in Jerusalem, the establishment of the aggressive Rapid Deployment Force as well as the crimes which it is committing in Latin America, the government of the Islamic Republic of Iran has decided not to participate in the Los Angeles Olympics. The Iranian delegation to the sports seminar of the non-aligned countries which is held in the city of Patiala in India, made this announcement on Thursday in a written statement and expressed hope that the non-aligned countries will join in this decision of the Islamic Republic of Iran in its position against global oppression and in support of international peace and freedom.

The report states: It has been observed that delicate, sensitive and expansive policies exist behind the sports movements of the world and attempts are made to use sports as an opiate to stupify and dupe the masses. Today, the whole atmosphere of the Olympic games is saturated with politics and domination. Ultimately, they will be used as psychological and gladiator wars and the athletes will be used as tools to obtain national power, in other words, as a sort of proof of racial superiority. The international organization UNESCO has concluded in its studies that the International Olympic Committee has deviated from the goals stated in its charter and sports have become an arena for the fights between two intellectual and ideological schools of the West and the East, because nationalism in sports has become a political characteristic, which is completely contrary to the main objective. The Moscow games reminded us of many skirmishes, a sort of cold war between the two superpowers, which have not yet been forgotten. Today, the Olympics and the official and international festivals have become tools in the hands of the governments and to participate in such festivals is to participate in the conflicts of the participating governments.

But in regards to the unity of the Olympics, the Islamic Republic deeply believes in international unity. But it also believes that Olympic unity has been proven to be a big lie. How could the oppressed people of Lebanon, on whose heads thousands of U.S. and Israeli bombs are dropped every day, be expected to have a friendly visit in the United States alongside the athletes of occupied Palestine and the criminal United States, forgetting the injustice which is carried out at every moment against their parents, their children and their fellow countrymen, merely for the sake of unity? Unity in every possible form, even through sports festivals, is acceptable to us, but true unity in the service of the masses. The use of the slogan of Olympic unity for the purpose of duping the masses of the oppressed world, the Third World and the non-aligned countries, and subjugating them and plundering their capitals is condemned in any form. How could the athletes of Granada or Nicaragua carry the message of peace, friendship and unity with the American nation in the Los Angeles Olympics, witness the flight of the doves of peace in the totally false and deceptive ceremonies of the opening of the games in Los Angeles, and forget the military aggression of the criminal United States? Whether in Moscow in 1980 or Los Angeles in 1984, the Olympics is a show of the resources of the superpowers to the Third World countries. When the national anthem of these countries frequently pierces the ears of the Third World athletes in an atmosphere of glitter, the role of sports is forgotten and what remains is showing off before the oppressed.

In conclusion, the Iranian delegation proposed: Games called the athletic games of the non-aligned with the dictated and imposed values of the superpowers which are devoid of the presence of the superpowers of the East and the West should be held in one of the non-aligned countries. It should be pointed out that the report of the Iranian delegation in the athletic seminar of the non-aligned countries was welcomed by the participating delegations and that some of the participants personally congratulated the Iranian delegation. Also, copies of the report of the Iranian delegation in English were distributed in the seminar among the representatives of other countries.

10,000  
CSO: 4640/186

FOREIGN MINISTER URGES NAM TO 'EXPLICITLY' CONDEMN IRAQ

Tehran ETTELA'AT in Persian 5 Apr 84 p 3

[Interview with Foreign Minister Velayati on 4 Apr 84;  
interviewer and place not specified]

[Text] Dr Velayati: As the majority of the members of the nonaligned [NAM] movement condemns the action of Iraq. It is expected that the head of the movement will announce these views.

Yesterday in an interview in connection with the global reaction to the use of chemical weapons by the regime of Iraq, the minister of foreign affairs pointed out the position of condemnation of most of the world assemblies, including the United Nations Security Council, and the expectation of world public opinion that the non-aligned movement decisively confront this issue and said: What the world and especially the members of the non-aligned movement expect of the movement and its president is that the use of chemical weapons be strongly condemned independent of the issue of the war and that the name of the user be mentioned.

In an interview with the IRNA, Dr Velayati pointed out the numerous reactions of the world assemblies to the use of chemical weapons by the regime of Iraq and said: As you know, the use of chemical weapons by Iraq, especially after the publication of the UN report, is such an open violation of international laws that even the most conservative international authorities could not keep silent and were forced to condemn the action of Iraq directly or indirectly.

He added: The recent position of the Security Council is a clear example in this regard. Despite the fact that this Council is deeply under the influence of the superpowers, under serious international pressure, it was finally forced to take a position, although this position is by no means a response to the main duty of the Council in regards to this grave issue.

He then referred to the point that under such circumstances, what the whole world, especially the members of the non-aligned movement, have expected is that the movement should move ahead of the United Nations, saying: Unfortunately, thus far, no proper reaction has been forthcoming, even while the majority of the members of the movement have separately and unilaterally condemned the action of Iraq. Hence, world attention is naturally directed to the head of the movement to coordinate and announce these views.

At the end of his statements, the minister of foreign affairs said: Some of the authorities, in order to denigrate the issue are trying somehow to connect the issue of the use of chemical weapons to the issue of the war. The direct or indirect meaning of such an action is that under certain circumstances, the use of chemical weapons is permissible, whereas the 1925 protocol as well as the 1972 convention are very clear in this regard and leave no room for doubt. They state clearly that the use of these weapons is absolutely prohibited under any circumstances.

Hence, what the world, especially the members of the non-aligned movement, expect is that the movement strongly condemn the use of chemical weapons independent of the issue of the war and in so doing, mention the name of the perpetrator.

10,000

CSO: 4640/188



SYRIAN MINISTER OF EDUCATION COMMENTS ON MUTUAL RELATIONS

Tehran ETTELA'AT in Persian 21 Feb 84 p 3

[Interview with Muhammad Najib al-Sayyid; date and place not specified]

[Text] During the visit of Mr Muhammad Najib al-Sayyid, the minister of education and acting director of the Ministry of Higher Education in Syria, and his delegation to ETTELA'AT's office, there was an opportunity to have a short discussion with Mr Najib al-Sayyid, as reflected in the following report.

[Question] During the initial period after your assumption of responsibilities, what types of problems did you face in the area of education and training and basically in regard to changing the colonial culture and its scars, such as poverty and prostitution? What steps have been taken and to what extent have you been successful?

[Answer] First of all, I am grateful for the opportunity that has been given to me. Naturally, we are happy to be a friend and brother of the Islamic Republic of Iran and are very grateful for the reception that we have received thus far. One can say that in Syria, since 1970 when President Hafez Assad took the lead in initiating steps to improve the quality of the learning process, and despite our shortcomings and limited know-how, we have successfully accomplished a great deal. During this period, we have built many schools and vocational centers and have made many training opportunities available to a large number of people in Syria.

Our education and training are mandatory through elementary school and a great deal of effort has been put into high school education. The number of boys and girls in our public schools is more than 2.5 million, a quarter of our population. In the area of higher education, we have also been very successful. For instance, we have increased the number of universities and colleges and specialized educational courses and we have also increased the number of students. In the meantime, we have emphasized and enlarged our educational efforts against the colonial culture, in which imperialism and Zionism are synonymous and are regarded as our enemies. In an effort to be harmonious with other Arab nations, we have close cooperation and ties with their educational and scientific institutions, as well as ties with UNESCO, so that we are able to resist the Zionists' cultural influence, which attempts



to penetrate and mislead our literature and indigenous crafts and to reveal the Zionists' colonial culture methodology and techniques, and to offer the Islamic and Arabic culture of the Syrians to the entire world.

[Question] What was the percentage of illiteracy at that time, and how did the Syrian Government deal with this colonialist by-product?

[Answer] The Syrian Government places great emphasis on eradicating illiteracy and a supreme council was established to study this matter and made recommendations on how to fight this problem. In this regard, we have accomplished two major tasks: First, in the beginning of the revolution we created opportunities so that all children could attend elementary schools and, in doing so, we stopped further illiteracy. Then we established schools throughout the entire country and guided illiterates to attend the schools. The latter was accomplished through the Ministry of Education and nongovernmental institutions related to learning issues.

[Question] Currently, how strong is the educational and cultural relationship between Iran and Syria and what results have been achieved thus far?

[Answer] The cultural and educational relationship between Iran and Syria has had historical ties. Presently, we are concerned with strengthening and expanding this relationship by signing a cultural agreement with the Islamic Republic of Iran. During this visit, we will open a new page in this relationship and, in considering this cultural agreement, we shall attempt to expand and cooperate in other areas, i.e., scientific, educational and training fields.

[Question] In the area of student, professor and technical specialist exchange programs between the two countries, what developments have taken place thus far?

[Answer] We have provisions in this agreement for exchanging professors, students and technical experts and, after signing the agreement, the two countries will gain experience in cultural and educational matters.

[Question] What have been the results of your discussions with the Islamic Republic of Iran's responsible authorities?

[Answer] During the discussions and visits with authorities of the Islamic Republic of Iran, we agreed that the two countries should adhere to revolutionary methodologies in training, culture and education to guarantee the progress and welfare of the two countries and to enable the two countries to resist the invasion of international Zionism and American imperialism.

[Question] The United States has threatened to withdraw from UNESCO by the end of 1984. What is your reaction to this?

[Answer] The U.S. threat to leave UNESCO stems from the apparent fact that the United States is no longer able to use and guide this educational agency for its own interests and impose its colonialist designs on other members.

The members of UNESCO would like to utilize the scientific and educational opportunities of this agency for their independence and freedom, not for further involvement in colonialism, imperialism and Zionism. I believe this threat is a result of the U.S. failure to employ this agency for its own interests and purpose.

[Question] In this region, these two countries are in the front line, exposed to the invasion of imperialism and Zionism. What is your assessment of the current situation in this region?

[Answer] Today, our people in Syria, in a special way, and the Arab people and Palestinians and Lebanese, in a general way, are exposed to U.S. imperialism and Israeli Zionist invasion. In Syria we firmly stand to defend the fate of the Palestinian and the Arab people of Lebanon, and until the two countries have gained their right to live their own lives with honor and independence, we shall continue to maintain our struggle. Syria is presently in Lebanon, standing against this savage U.S. invasion, and to this day, Syria has caused the United States to fail in all its conspiracies against the Arab people and, with the help of God, in the end we shall prevail against the United States and Israel.

[Question] What relationships do you see between developments in Lebanon, the failure of the multinational force and Zionism and the intensification of Saddam's threats and attacks on populated Iranian cities?

[Answer] Without a doubt, the United States is pursuing colonialist and aggressive goals in Lebanon. However, what has happened so far, and especially recent developments, has proven that the United States, with all its might and materiel, and the Zionists, with their forces and capabilities, were unable to destroy the defensive and resistive forces of the Arab people in Lebanon. They have conviction that struggle for freedom is always stronger than the enemy's weapons, no matter how modern or destructive they may be. But regarding the war that Saddam Husayn initiated, without any doubt this war is to the benefit of the United States and Zionism and it is tilted toward their interests and is never for the interests of Iraq, Iran, the Arabs or even the Muslims. This war is a U.S.-Zionist conspiracy designed to put distance between the Arab nation's dream and tyrannical Israel and postpone the freedom of the Palestinians.

[Question] How do you assess future relationships between the Islamic Republic of Iran and the Arab Republic of Syria?

[Answer] Presently, relations between these two countries are excellent because these ties are founded on a common historical basis, and every day we see new gains and progress in the areas of politics, commerce and education. During this visit, we will sign our first educational agreement. We are extremely optimistic about the future progress of our relationship. During our stay, we have visited many institutions and training centers and have seen that the people of Iran are pursuing a multifaceted and progressive path. I hope that the relationship of these two countries, under the leadership of Imam Khomeyni and President Assad, will further strengthen and expand for the benefit of the people of both countries and the world of Islam.

## IRAN

### INTERIOR MINISTER ELABORATES ON FORTHCOMING MAJLIS ELECTIONS

Tehran JOMHURI-YE ESLAMI in Persian 12 Mar 84 p 2

[Text] IRNA--Yesterday afternoon, the Interior Minister Hojjat ol-Eslam Nateq-Nuri held a press and radio-television conference with domestic and foreign reporters. He announced the dates for holding the Majlis elections and for registering the Majlis candidates and also answered reporters' questions.

Our correspondent reports that he made an initial statement by saying that, according to the Constitution of the Islamic Republic and the Majlis election law, the country must never be without a Majlis and that the Ministry of the Interior is charged with holding elections before the end of the current term. He stated that the Ministry of the Interior had already initiated the process of holding elections. Referring to Article 31 of the electoral law, the interior minister said that, according to the said article, if the president or his advisers, the prime minister or ministers or their deputies or advisers, members of the Council of Guardians, members of the Supreme Judicial Council, the chairman of the administrative justice tribunal, permanent Friday imams, public prosecutors, assistant prosecutors, judges, governors general or their advisers or deputies, directors or supervisors of directorates general, governors, district governors, supervisors of the offices of the Islamic Propaganda Organization, officers of the Reconstruction Crusade, directors of the Voice and Vision of the Islamic Republic in the regions where they serve, as well as the members of the armed forces (military and law enforcement), or members of the executive and supervisory committees of the Council of Guardians should want to be Majlis candidates from the constituencies under their jurisdiction, they have from Monday (today) until the close of business on 15 March 1984 to resign from their positions.

As for the dates for filing the names of candidates and for holding Majlis elections, Hojjat ol-Eslam Nateq-Nuri stated that as of 18 March for a period of 7 days, Majlis candidates may register at the Ministry of the Interior or at their electoral districts and, God willing, the Majlis elections will be held on 15 April 1984, which coincides with the birthday of Hazrat-e 'Ali.

When asked when the election campaign could begin, he stated that after filing Majlis candidates' names and determining their qualification, the

Ministry of the Interior will announce the time period for the staff of election campaign. And until then, any election campaign would be considered illegal, and the election law has envisioned and set penalties for violators in this matter.

The interior minister was asked how many people he thought would participate in the elections. He replied that in view of the widespread involvement of the people, the best example of which we witnessed in the nationwide march of 11 February, it may be predicted that the Muslim and martyr-nurturing people of our country will actively participate in the elections and that the elections for the next Majlis session will take place in the most glorious fashion.

The interior minister then characterized the forthcoming Majlis elections as being very effective for stabilizing the system of the Islamic Republic. As for the elections for the Assembly of Experts, he said that mid-term elections for the Assembly of Experts would take place concurrent with the Majlis elections in some parts of the country.

Regarding probable plots of the enemies of the Islamic Revolution in connection with holding Majlis elections, Hojjat ol-Eslam Nateq-Nuri stated: "We will have no difficulty in holding elections and the people themselves will resolve any possible problems." He added that it is being predicted that nationalists and liberals who feel that the people will not probably vote for them might attempt to declare the elections as being rigged, but fortunately our Muslim and self-sacrificing people are cognizant of such activities, and will thwart any such plots.

Asked whether the Islamic Republic Party candidates for various districts of Tehran are being specified and selected, the interior minister stated that based on the guidelines of the Imam of the nation, since the Islamic Republic Party considers it as an obligation to obey the rule of the theocracy, it would not do such a thing; and in this connection the honorable secretary of the Islamic Republic Party issued necessary instructions to various party districts.

In conclusion he said that any use of government resources or public funds on behalf of the candidates is prohibited and all violators will be identified.

12651

CS0: 4640/159

COMMENTS ON CHEMICAL WARFARE, BRITISH COMPLICITY, YOUNG WARRIORS

Tehran ETTELA'AT in Persian 17 Mar 84 p 14

[Text] London-IRNA, Hojjat ol-Eslam Karubi, Imam's representative and the supervisor of the Martyr's Foundation, answered foreign correspondents' questions during a press conference at the embassy of the Islamic Republic of Iran in London on Thursday.

To begin with, he pointed out that this war was forced upon revolutionary Iran by a calculated plot and a well-equipped army and said: "From the start of the war, the Iraqi regime has violated all ethical, human and international laws and upon entering Khorramshahr, they pulled some of the civilians out of their homes and took them as POW's, and bombarded cities and civilian areas. But the Iraqi regime's latest crime is the use of chemical bombs, whereby a great number of our warriors have been martyred and wounded."

He added: "In order to show the depths of the Iraqi regime's crimes, and show who is the aggressor that violates international law, we sent a number of our wounded warriors for treatment to various countries of the world." He thought the reason for the Iraqi use of chemical bombs was its defeat in the war and said: "Saddam wrongly thinks that he can bring the war to an end with this crime, or bring Iran to the negotiation table. We expect the world, the mass media and the international organizations to reflect the realities and to condemn the violator of international law."

Hojjat ol-Eslam Karubi, the Imam's representative at the Martyr's Foundation, in answer to BBC correspondent's question "most of the mass media are aware of Iraq's aggression against Iran, but now that Saddam is ready for talks why don't you negotiate with him to end the war," said:

"His Highness the Imam and other authorities of the Islamic Republic have repeatedly said that given our knowledge of Saddam, we know that he will use peace only to regroup and to attack Iran again."

"Therefore, with this knowledge we will never negotiate with him." The BBC radio correspondent said: "You have been accused of sending the wounded to European countries for propaganda purposes and not for treatment."

Hojjat ol-Eslam Karubi answered: "From the very beginning of the war and even before, during the revolution, the wounded have been sent to European countries for treatment and this has been common practice."

Hojjat ol-Eslam Karubi continued: "We expected the international organizations and the free media of the world and not the governments to condemn this crime." BBC correspondent asked: "You expect the Western press to condemn Iraqi crimes, but you do not accept their criticism when they write about sending youths to the front."

Hojjat ol-Eslam Karubi answered: "In Iran battle preparedness is extraordinary; although we do not want to fight and have no inclination towards war, and we do not have to send our kids to the front, a number of our kids who have come of age according to Islam, go to the front out of eagerness and their own volition. Basically, the vast majority of our forces are composed of volunteers, and furthermore, when your homeland is subject to invasion and aggression you must be prepared to defend it."

The BBC correspondent asked: "If Iran is certain that Britain has sold chemical weapons to Iraq, have you made any attempts to contact the British authorities?"

Hojjat ol-Eslam Karubi answered: "We have only come to pay a visit to the wounded and to study their problems and our trip is not a political one as such." The correspondent for the SUNDAY TIMES MAGAZINE asked: "What proof do you have that Britain has sold such materials to Iraq?"

Hojjat ol-Eslam Karubi replied: "There are certain indications in this regard and things have been written about them, but the fact that the British Government has not condemned the 'crimes of Iraq' is in itself an indication of this cooperation."

The GUARDIAN correspondent asked: "You allowed the UN representatives to visit the bombarded areas. Will you also permit them to visit the Iraqi POW's?"

Hojjat ol-Eslam Karubi answered: "Their situation is such that all organizations have visited them and can do so again."

12386

CSO: 4640/163



DETAILS ON IRANIAN PILGRIMS TO VISIT MECCA

Tehran KEYHAN in Persian 7 Apr 84 p 21

[Interview with Hojjat ol-Eslam Musavi-Kho'iniha on 5 Apr 84; interviewer and place not specified]

[Text] This year up to a maximum of 10,000 persons from the honorable families of the martyrs will go to Mecca and the remainder will go next year.

The passports of 70 to 80 percent of the hajj pilgrims have been issued.

In an interview the night before last, Hojjat ol-Eslam Musavi-Kho'iniha, the representative of the imam in the hajj and pilgrimage organization, provided details concerning the number of pilgrims participating in the hajj, the measures taken, the facilitation of the people, especially the families of the martyrs, and also the procedure for selecting the hajj supervisors.

First, concerning the number of participating pilgrims in the hajj ceremonies, he said: Considering the large number of eligible persons who have applied to go on pilgrimage, it seemed that with the experience of the hajj organization, the number of hajj pilgrims will increase to 150,000. If the government of the Islamic Republic of Iran, which at the present time faces certain difficulties, such as the war, is able to do so in the future, naturally, a larger number will be sent. He added: As a result of this decision concerning the applicants of the period 21 March 1981-20 March 1982 who have registered and whose names have been selected through the lottery for the periods 21 March 1984-20 March 1985 and 21 March 1985-20 March 1986, it was decided that during the period 21 March 1984-20 March 1985, both groups will be sent. The hajj organization has expedited its measures and at the present time, 70 to 80 percent of

passports have been issued. Also, this week, a delegation will leave for Saudi Arabia to make the necessary negotiations with the hajj authorities in that country to prepare the housing and other needs of the pilgrims. A delegation, too, will soon be sent to Saudi Arabia for housing permits.

Concerning the agreement of the government of Saudi Arabia to the increased number of Iranian pilgrims, the representative of the imam in the hajj organization said: The issue of the hajj is not something which is in the hands of Saudi Arabia. It is an obligation for Muslims to participate in these ceremonies at least once. The government of Saudi Arabia may administer the pilgrimage if it wants to and it must prepare itself to accept any number of hajj pilgrims. He added: Of course, if the government of Saudi Arabia announces that it is not able to carry out this task, naturally, other Islamic countries, including the Islamic Republic of Iran, are prepared to take over the ceremonies. But I do not think that the government of Saudi Arabia would respond negatively; it naturally will respond positively. In connection with the number of persons from the families of martyrs participating in the hajj ceremonies. Hojjat ol-Eslam Kho'iniha said: In the beginning, the Martyr Foundation thought that this year it would be able to send all the families of the martyrs who apply for the hajj pilgrimage. Hence, it had registered all of them. But with the negotiations which took place with the authorities of the hajj organization and also the minister of guidance, we reached the conclusion that in the current year, despite the capability of the hajj organization, it can only accept a maximum of 10,000 persons from the martyrs' families. But considering that the number of applicants is significantly more, next year all the families of the martyrs who request to go on the hajj pilgrimage and who have not made the pilgrimage before will be given priority and all of them will participate in these magnificent ceremonies.

Concerning the selection of the tour supervisors, he said: This year, in every province which organizes groups of hajj pilgrims, the supervisors, clerics and managers will be chosen from that province or a city, if possible. It was decided that public announcements will be made so that those who meet the requirements may register. The number of persons registering came to 21,000, of which about 4,000 were accepted in the first stage. After interviews, some of them will be dismissed and twice the number which can be accommodated will remain in the next stage; after the investigations, about 1,500 needed persons will remain. I ask those persons who were not accepted not to call on the hajj organization and other places. Also, in regards to the selection of the clerics which was conferred on the Qom propaganda organization, this task has been carried out very well.

# GOVERNMENT FOSTERS UNREST SO AS TO MANIPULATE ELECTIONS

Karachi JASARAT in Urdu 17 Mar 84 p 3

[Editorial: "Elections and Fears"]

[Text] Mian Tufail Mohammad, leader of the defunct political party, Jamaat-e Islami, commented in an interview in the weekly ISTIQLAL that the government is trying to avoid holding elections using various tricks. After suppressing the MRD demonstrations, the government is trying to make trouble so it can claim that the present atmosphere is not conducive for holding elections. This way it can extend its martial law rule. Mian Tufail Mohammad warned that if we see that the government is succeeding in its activities, we will have no alternative but to unite all political parties to confront the government. Mian Tufail added that whenever a single political party failed to solve the country's problems, all parties in the past joined forces, forsaking their political or religious differences. Should there be a need, these parties will unite again and stand up to the occasion. Recently, without any excuse, the government beat up female students and dragged them by their hair and thus irritated the hotheads in colleges and universities. The government is trying to make trouble in this way so it can use it as an excuse to postpone elections.

The former president of Azad Kashmir, Sardar Abdulquom, has also expressed his doubts about the government's sincerity in holding elections. Recently, he told the people in Khairpur in an informal conversation that the martial law government is not willing to transfer power to elected officials, at any cost. Nobody believes the president's 12 August plan. In light of the changes the president has made at the national and provincial levels and the promises he has made, most politicians doubt the sincerity of his plans to hold elections.

It appears that he is paving way for another postponement of elections. Sardar Abdulquom added that this talk about holding elections on a party or nonparty basis is just to confuse the issue and cause restlessness in the country. The president is looking for a way to appoint his own people to the assembly, people who in turn will elect him as president. Thus, he will have his own people and himself appointed under the guise of popular elections.

We cannot ignore the doubts and fears expressed by these prominent leaders of our country. It is a known fact that the government took some steps that resulted in unrest throughout the country. Then it started the debate about

holding elections on a party or nonparty basis or having an Islamic democratic system. It also expressed plans to amend or add to the already agreed upon religious code. All these actions make us wonder why, if the government is ready to relinquish power within a year, it is starting all these unnecessary dialogues. It is clear that the government wants to stir unrest in the country. What other purpose than postponement of the elections will this strategy serve? Any government seriously interested in holding elections would avoid taking steps that result in agitation in the country. Our government is doing exactly the opposite.

The doubts expressed by prominent leaders of our country about the government's intention to hold elections are understandable. This attitude of our government is making our politicians from various schools of thought gather under one flag. This trend toward unity is evident from various meetings between the workers of the Jamaat-e Islami and the PPP. Almost all politicians have stressed unity to fight this calamity. They are working on angels that will foster unity.

The president of our country should seriously study this situation, which is resulting in a unity of our politicians. He should also investigate if this rift between the government and the politicians is beneficial to the country. It is evident that our bureaucracy is encouraging this development for selfish reasons. If the president does not block this effort, it will be concluded that either he is helpless or he supports this development.

Finally, we would advise the president to hold elections according to the 1973 constitution and transfer power to the elected representatives. He has been in power for 7 years. This time should be enough for any leader who desires to serve his country. Some elected leaders and political parties should have an opportunity to run the country now. If the president thinks that his services are indispensable, then he should run for the presidency and defeat his rivals in an honest fight and become president by winning popular support. If he tries to stay in power using some "short cut" methods, even those accepted under an Islamic system, his leadership will always be suspect. The country will face anarchy and political unrest.

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END

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